

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

Owners of residential low-income rental buildings are allowed a low-income housing credit for each qualified building over a 10-year credit period. Form 8609 is used to obtain a housing credit allocation from the housing credit agency. A separate Form 8609 must be issued for each building in a multiple building project. Form 8609 and related **Schedule A (Form 8609)**, Annual Statement, are also used to certify certain information.

Housing credit agency. This is any state or local agency authorized to make low-income housing credit allocations within its jurisdiction.

Owner of building. Owners must complete Part II of this form and a separate Schedule A (Form 8609) and attach them to their returns even if an allocation of credit by a housing credit agency is not required. See **Specific Instructions** before completing Part II.

Building identification number (BIN). This number is assigned by the housing credit agency. The BIN initially assigned to a building must be used for any allocation of credit to the building that requires a separate Form 8609 (see **Multiple Forms 8609** on this page). For example, rehabilitation expenditures treated as a separate new building should not have a separate BIN if the building already has one. Use the number first assigned to the building.

Allocation of credit. For an owner to claim a low-income housing credit on a building (except as explained under **Tax-exempt bonds** below), the housing credit agency must make an allocation of the credit by the close of the calendar year in which the building is placed in service, unless:

- The allocation is the result of an advance binding commitment by the credit agency made not later than the close of the calendar year in which the building is placed in service (see section 42(h)(1)(C));
- The allocation relates to an increase in qualified basis (see section 42(h)(1)(D)); **or**
- The allocation is made:

1. For a building placed in service no later than the second calendar year following the calendar year in which the allocation is made if the building is part of a project in which the taxpayer's basis is more than 10% of the project's reasonably expected basis as of the end of that second calendar year; **or**

2. For a project that includes more than one building if (a) the allocation is made during the project period, (b) the allocation applies only to buildings placed in service during or after the calendar year in which the allocation is made, and (c) the part of the allocation that applies to any building

is specified by the end of the calendar year in which the building is placed in service.

See sections 42(h)(1)(E) and 42(h)(1)(F) and Regulations section 1.42-6 for more details.

The agency can only make an allocation to a building located within its geographical jurisdiction. Once an allocation is made, the credit is allowable for all years during the 10-year credit period. A separate Form 8609 must be completed for each building to which an allocation of credit is made.

Multiple Forms 8609. Allocations of credit in separate calendar years require separate Forms 8609. Also, when a building receives separate allocations for acquisition of an existing building and for rehabilitation expenditures, a separate Form 8609 must be completed for each credit allocation.

Tax-exempt bonds. No housing credit allocation is required for any portion of the eligible basis of a qualified low-income building that is financed with tax-exempt bonds taken into account for purposes of the volume cap under section 146. An allocation is not needed when 50% or more of the aggregate basis of the building and the land on which the building is located (defined later) is financed with certain tax-exempt bonds for buildings placed in service after 1989. However, the owner still must get a Form 8609 from the appropriate housing credit agency (with the applicable items of Part I completed, including an assigned building identification number (BIN)).

Land on which the building is located. This includes only land that is functionally related and subordinate to the qualified low-income building (see Regulations sections 1.103-8(a)(3) and 1.103-8(b)(4)(iii) for the meaning of "functionally related and subordinate").

When To File

Housing credit agencies should issue a copy of Form 8609 (with only Part I completed) with instructions to the owner of the building. The housing credit agency must keep a copy and send the original to the IRS with **Form 8610**, Annual Low-Income Housing Credit Agencies Report.

Owners must attach completed Forms 8609 and accompanying Schedules A (Form 8609) to **Form 8586**, Low-Income Housing Credit, and file these forms with their income tax returns by the due date of the return for each tax year in which the credit is claimed. They must also attach Forms 8609 and Schedules A to their returns for each later year in the 15-year compliance period.

Note to owners: Do not attach Form 8609 or Schedule A (Form 8609) to Form 8586 if the only credit claimed on Form 8586 is from a partnership, S corporation, estate, or trust. The entity will complete those forms and attach them to its return.

Recordkeeping

To verify changes in qualified basis from year to year, you must keep a copy of this Form 8609 with all accompanying Schedule(s) A (Form 8609), Form 8586, and Form 8611 for 3 years after the 15-year compliance period ends (unless this recordkeeping requirement is otherwise extended).

Specific Instructions

Part I—Allocation of Credit

Completed by Housing Credit Agency Only

Addition to qualified basis. Check this box if an allocation relates to an increase in qualified basis under section 42(f)(3). Enter only the housing credit dollar amount for the increase. Do not include any portion of the original qualified basis when determining this amount.

Amended form. Check this box if this form amends a previously issued form. Complete all entries and explain the reason for the amended form. For example, if there is a change in the amount of initial allocation before the close of the calendar year, file an amended Form 8609 instead of the original form.

Item A. Identify the building for which this Form 8609 is issued when there are multiple buildings with the same address (e.g., BLDG. 6 of 8).

Line 1a. Generally, the date of allocation is the date the Form 8609 is completed, signed, and dated by an authorized official of the housing credit agency. However, if an allocation is made under section 42(h)(1)(E) or 42(h)(1)(F), the date of allocation is the date the authorized official of the housing credit agency completes, signs, and dates the section 42(h)(1)(E) or 42(h)(1)(F) document used to make the allocation. If no allocation is required (i.e., 50% or greater tax-exempt bond financed building), leave line 1a blank.

Line 1b. Enter the housing credit dollar amount allocated to the building for each year of the 10-year credit period. The amount should equal the percentage on line 2 multiplied by the amount on line 3a. For tax-exempt bond projects for which no allocation is required, enter the housing credit dollar amount allowable under section 42(m)(2)(D).

Line 2. Enter the maximum applicable credit percentage allocated to the building for the month the building was placed in service or, if applicable, for the month determined under section 42(b)(2)(A)(ii).

If an election is made under section 42(b)(2)(A)(ii) to use the applicable percentage for a month other than the month in which a building is placed in service, the requirements of Regulations section 1.46-8 must be met. The agency must keep a copy of the binding agreement and the election statement and

file the original with the agency's Form 8610 for the year the allocation is actually made. The maximum applicable credit percentage is published monthly in the Internal Revenue Bulletin. For new buildings that are not federally subsidized under section 42(i)(2)(A), use the applicable percentage for the 70% present value credit. For new buildings that are federally subsidized, or existing buildings, use the applicable percentage for the 30% present value credit. See the instructions for line 6 for the definition of "Federally subsidized." A taxpayer may elect under section 42(i)(2)(B) to reduce eligible basis by the principal amount of any outstanding below-market Federal loan or the proceeds of any tax-exempt obligation in order to obtain the higher credit percentage (see Part II, line 9a).

For allocations to buildings for additions to qualified basis under section 42(f)(3), do not reduce the maximum applicable credit percentage even though the building owner may only claim a credit based on two-thirds of the credit percentage allocated to the building.

Line 3a. Enter the maximum qualified basis of the building. To figure this, multiply the eligible basis of the qualified low-income building by the smaller of:

1. The percentage of low-income units to all residential rental units (the "unit percentage"), or
2. The percentage of floor space of the low-income units to the floor space of all residential rental units (the "floor-space percentage").

Generally, a unit is not treated as a low-income unit unless it is suitable for occupancy and is used other than on a transient basis. Section 42(i)(3) provides for certain exceptions (e.g., units that provide for transitional housing for the homeless may qualify as low-income units). See sections 42(i)(3) and 42(c)(1)(E) for more information.

Except as explained in the instructions for line 3b, below, the **eligible basis** for a new building is its adjusted basis as of the close of the first tax year of the credit period. For an existing building, the eligible basis is its acquisition cost plus capital improvements through the close of the first tax year of the credit period. See the instructions for Part II, line 7b, and section 42(d) for other exceptions and details.

Line 3b. Special rule to increase basis for buildings in certain high-cost areas.

If the building is located in a high-cost area (i.e., a "qualified census tract" or a "difficult development area"), the eligible basis may be increased as follows:

- For new buildings, the eligible basis may be up to 130% of such basis determined without this provision.
- For existing buildings, the rehabilitation expenditures under section 42(e) may be up to 130% of the expenditures determined without regard to this provision.

Enter the percentage to which eligible basis was increased. For example, if the eligible basis was increased to 120%, enter "120." See section 42(d)(5)(C) for definitions of a qualified census tract and a difficult development area, and for other details.

Note: *Before increasing eligible basis, the eligible basis must be reduced by any Federal subsidy that the taxpayer elects to exclude from eligible basis and any Federal grant received.*

Line 4. Enter the percentage of the aggregate basis of the building financed by certain tax-exempt bonds. If this amount is zero, enter zero (do not leave this line blank).

Line 5. The placed-in-service date for a residential rental building is the date the first unit in the building is ready and available for occupancy under state or local law. Rehabilitation expenditures treated as a separate new building under section 42(e) are placed in service at the close of any 24-month period over which the expenditures are aggregated, whether or not the building is occupied during the rehabilitation period.

Line 6. Generally, a building is treated as federally subsidized if at any time during the tax year or any prior tax year there is outstanding any tax-exempt bond financing or any below-market Federal loan, the proceeds of which are used (directly or indirectly) for the building or its operation.

However, buildings receiving assistance under the Home Investment Partnership Act (as in effect on August 10, 1993) are **not** treated as federally subsidized if 40% or more of the residential units in the building are occupied by individuals whose income is 50% or less of the area median gross income. Buildings located in New York City receiving this assistance are not treated as federally subsidized if 25% or more of the residential units in the building are occupied by individuals whose income is 50% or less of the area median gross income.

Generally, no credit is allowable for acquisition of an existing building unless substantial rehabilitation is done. See sections 42(d)(2)(B)(iv) and 42(f)(5). **Do not** issue Form 8609 for acquisition of an existing building unless substantial rehabilitation under section 42(e) is placed in service.

Part II—First-Year Certification

Completed by Building Owner for the First Year of Credit Period Only

Note: *Form 8609 is invalid unless Part I is completed by the appropriate housing credit agency.*

Line 7a. See the instructions for line 5. This date must correspond with the date certified to the housing credit agency.

Line 7b. Enter the eligible basis (in dollars) of the building. Determine eligible basis at the close of the first year of the credit period (see sections 42(f)(1), 42(f)(5), and 42(g)(3)(B)(iii) for determining the start of the credit period).

For new buildings, the eligible basis is generally the cost of construction or rehabilitation expenditures incurred under section 42(e).

For existing buildings, the eligible basis is the cost of acquisition plus rehabilitation expenditures not treated as a separate new building under section 42(e) incurred by the close of the first year of the credit period.

If the housing credit agency has entered an increased percentage in Part I, line 3b, multiply the eligible basis by the increased percentage and enter the result.

Residential rental property may qualify for the credit even though part of the building in which the residential rental units are located is used for commercial use. Do not include the cost of the nonresidential rental property. However, you may generally include the basis of common areas or tenant facilities, such as swimming pools or parking areas, provided there is no separate fee for the use of these facilities and they are made available on a comparable basis to all tenants in the project. You must reduce the eligible basis by the amount of any Federal grant received. Also reduce the eligible basis by the entire basis allocable to non-low-income units that are above the average quality standard of the low-income units in the building. You may, however, include a portion of the basis of these non-low-income units if the cost of any of these units does not exceed by more than 15% the average cost of all low-income units in the building, and you elect to exclude this excess cost from the eligible basis by checking the "Yes" box for line 9b. See section 42(d).

You may elect to reduce the eligible basis by the principal amount of any outstanding below-market Federal loan or the proceeds of any tax-exempt obligation to obtain a higher credit percentage. To make this election, check the "Yes" box in Part II, line 9a. Reduce the eligible basis by the principal amount of such loan or obligation proceeds before entering the amount on line 7b. You must reduce the eligible basis by the principal amount of such loan or obligation proceeds or any Federal grant received before multiplying the eligible basis by the increased percentage in Part I, line 3b.

Line 8a. Multiply the eligible basis of the building shown on line 7b by the smaller of the unit percentage or the floor space percentage as of the close of the first year of the credit period and enter the result on line 8a. Low-income units are units occupied by qualifying tenants, while residential rental units are all units, whether or not occupied. See the instructions for Part I, line 3a, on page 3.

Line 8b. Each building is considered a separate project under section 42(g)(3)(D) unless, before the close of the first calendar year in the project period (defined in section 42(h)(1)(F)(ii)), each building that is (or will be) part of a multiple building project is identified by attaching a statement to your tax return (as required in the instructions for Form 8586, line 1) that includes **(a)** the name and address of the project and each building in the project, **(b)** the building identification number (BIN) of each building in the project, **(c)** the aggregate credit dollar amount for the project, and **(d)** the credit allocated to each building in the project.

Two or more qualified low-income buildings may be included in a **multiple building project** only if they **(a)** are located on the same tract of land (unless all of the dwelling units in all of the buildings being aggregated in the multiple building project are low-income units—see section 42(g)(7)), **(b)** are owned by the same person for Federal tax purposes, **(c)** are financed under a common plan of financing, and **(d)** have similarly constructed housing units. A qualified low-income building includes residential rental property that is an apartment building, a single-family dwelling, a town house, a row house, a duplex, or a condominium.

Line 9a. You may elect to reduce the eligible basis by the principal amount of any outstanding below-market Federal loan or the proceeds of any tax-exempt obligation and claim the 70% present value credit on the remaining eligible basis. However, if you make this election, you may not claim the 30% present value credit on the portion of the basis that was financed with the below-market Federal loan or the tax-exempt obligation.

Line 9b. See the instructions for Part II, line 7b, on page 3.

Line 10a. You may elect to begin the credit period in the tax year after the building is placed in service. Once made, the election is irrevocable.

Note: Section 42(g)(3)(B)(iii) provides special rules for determining the start of the credit period for certain multiple building projects.

Line 10b. Partnerships with 35 or more partners are treated as the taxpayer for purposes of recapture unless an election is made not to treat the partnership as the taxpayer. Check the “Yes” box if you do **not** want the partnership to be treated as the taxpayer for purposes of recapture. Once made, the election is irrevocable.

Line 10c. You must meet the minimum set-aside requirements under section 42(g) for the project by electing one of the following tests:

1. 20-50 Test: 20% or more of the residential units in the project must be both rent restricted and occupied by

individuals whose income is 50% or less of the area median gross income, or

2. 40-60 Test: 40% or more of the residential units in the project must be both rent restricted and occupied by individuals whose income is 60% or less of the area median gross income.

Once made, the election is irrevocable.

Note: Owners of buildings in projects located in New York City may **not** use the 40-60 test. Instead, they may use a **25-60 Test:** 25% or more of the residential units in the project must be both rent restricted and occupied by individuals whose income is 60% or less of the area median gross income (see also section 142(d)(6)).

Caution: The minimum set-aside requirement must be met by the close of the first year of the credit period in order to claim any credit for the first year or for any subsequent years.

Line 10d. The deep-rent-skewed 15-40 election is not an additional test for satisfying the minimum set-aside requirements of section 42(g). The 15-40 test is an election that relates to the determination of a low-income tenant’s income. Generally, a continuing resident’s income may increase up to 140% of the applicable income limit (50% or less or 60% or less of the area median gross income under the minimum set-aside rules in **Line 10c** above). When the deep-rent-skewed election is made, the income of a continuing resident may increase up to 170% of the applicable income limit. If this election is made, at least 15% of all low-income units in the project must be occupied at all times during the compliance period by tenants whose income is 40% or less of the area median gross income. A deep-rent-skewed project itself must meet the requirements of section 142(d)(4)(B). Once made, the election is irrevocable.

Signature

Because Form 8609 requires an original signature each year and the form is not issued annually by the housing credit agency, complete the following steps after you receive the form from the agency:

1. Complete Part II of the form (do not sign it).
2. After completing Part II, make a copy of the form.
3. Complete all items in the signature section of the copy that you file. Keep the original copy you receive from the housing credit agency so that copies can be made from the unsigned original copy and used for filing with your future years’ income tax returns.
4. Complete Schedule A (Form 8609) for each building and attach it to the signed copy of Form 8609 you attach to your income tax return.

5. If the maximum applicable credit percentage allocated to the building in Part I, line 2, reflects an election made under section 42(b)(2)(A)(ii), you must attach a copy of the election statement and, if the binding agreement specifying the housing credit dollar amount is contained in a separate document, a copy of the binding agreement to Form 8609 for the first tax year in which the credit is claimed.

6. If the housing credit dollar amount allocated in Part I, line 1b, reflects an allocation made under section 42(h)(1)(E) or 42(h)(1)(F), you must attach a copy of the allocation document to Form 8609 for the first tax year the credit is claimed.

Note: If you received more than one allocation (e.g., an allocation the year the building was placed in service and a second allocation based on an addition to qualified basis), attach signed copies of both Forms 8609 to your return.

Paperwork Reduction Act Notice. We ask for the information on these forms to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file the following forms will vary depending on individual circumstances. The estimated average times are:

Form 8609	
Learning about the law or the form.	2 hr., 17 min.
Recordkeeping	8 hr., 37 min.
Preparing and sending the form to the IRS	2 hr., 31 min.
Schedule A (Form 8609)	
Learning about the law or the form	47 min.
Recordkeeping	6 hr., 41 min.
Preparing and sending the form to the IRS	56 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making these forms simpler, we would be happy to hear from you. You can write to the Internal Revenue Service at the address listed in the instructions for the tax return with which these forms are filed.



Recapture of Low-Income Housing Credit

OMB No. 1545-1035

▶ Attach to your return.

Note: Complete a separate Form 8611 for each building to which recapture applies.

Attachment
Sequence No. **90**

A Name(s) shown on return		B Identifying number
C Address of building (as shown on Form 8609)	D Building identification number (BIN)	E Date placed in service (from Form 8609)
F If building is financed in whole or part with tax-exempt bonds, see instructions and furnish:		
(1) Issuer's name		(2) Date of issue
(3) Name of issue		(4) CUSIP number

Note: If recapture is passed through from a flow-through entity (partnership, S corporation, estate, or trust), skip lines 1 – 7 and go to line 8.

1 Enter total credits reported on Form 8586 in prior years for this building	1	
2 Credits included on line 1 attributable to additions to qualified basis (see instructions) . . .	2	
3 Credits subject to recapture. Subtract line 2 from line 1	3	
4 Credit recapture percentage (see instructions)	4	
5 Accelerated portion of credit. Multiply line 3 by line 4	5	
6 Percentage decrease in qualified basis. Express as a decimal amount carried out to at least 3 places (see instructions)	6	
7 Amount of accelerated portion recaptured. Multiply line 5 by line 6. Section 42(j)(5) partnerships, go to line 13. All other flow-through entities (except electing large partnerships), enter the result here and enter each recipient's share on the appropriate line of Schedule K-1. Generally, flow-through entities other than electing large partnerships will stop here. (Note: An estate or trust enters on line 8 only its share of recapture amount attributable to the credit amount reported on its Form 8586.)	7	
8 Enter recapture amount from flow-through entity.	8	
9 Enter accelerated portion of the unused credit attributable to this building (see instructions) .	9	
10 Net recapture. Subtract line 9 from line 7 or line 8. If less than zero, enter -0-	10	
11 Enter interest on the line 10 recapture amount (see instructions)	11	
12 Total recapture. Add lines 10 and 11. Enter here and on the appropriate line of your tax return. If more than one Form 8611 is filed, add the line 12 amounts from all forms and enter the total on the appropriate line of your return. Electing large partnerships, see instructions	12	

Only Section 42(j)(5) partnerships need to complete lines 13 and 14.

13 Enter interest on the line 7 recapture amount (see instructions).	13	
14 Total recapture. Add lines 7 and 13 (see instructions)	14	

General Instructions

Section references are to the Internal Revenue Code.

Purpose of Form

Use this form if you must recapture part of the low-income housing credit you took in previous years because:

- The qualified basis of a building decreased from one year to the next, or
- You disposed of the building or an ownership interest in it, and you did not post a satisfactory bond or pledge eligible U.S. Treasury securities as collateral. For details on how to avoid recapture on a building disposition, see section 42(j)(6); **Form 8693**, Low-Income Housing Credit Disposition Bond; and Rev. Proc. 99-11, 1999-2 I.R.B. 14.

Note: If the decrease in qualified basis is because of a change in the amount for which you are financially at risk on the building, then you must first recalculate the amount of credit taken in prior years under section 42(k) before you calculate the recapture amount on this form.

To complete this form you will need copies of the following forms that you have filed:

Form 8586, Low-Income Housing Credit (and **Form 3800**, General Business Credit, if applicable); **Form 8609**, Low-Income Housing Credit Allocation Certification; **Schedule A (Form 8609)**, Annual Statement; and Form 8611.

Note: Flow-through entities must give partners, shareholders, and beneficiaries the information that is reported in items C, D, E, and F of Form 8611.

Generally, recapture applies if:

- You dispose of a building or an ownership interest in it;
- There is a decrease in the qualified basis of the building from one year to the next; or
- The building no longer meets the minimum set-aside requirements of section 42(g)(1), the gross rent requirement of section 42(g)(2), or the other requirements for the units which are set aside.

However, recapture **does not** apply if:

- You disposed of the building or an ownership interest in it and you posted a satisfactory bond or pledged eligible U.S.

Treasury securities as collateral (for details, see section 42(j)(6); Form 8693; and Rev. Proc. 99-11);

- You disposed of an ownership interest in a building that you held through an electing large partnership;
- The decrease in qualified basis does not exceed the additions to qualified basis for which credits were allowable in years after the year the building was placed in service;
- You correct a noncompliance event within a reasonable period after it is discovered or should have been discovered;
- The credit did not reduce your tax liability (but you must adjust the allowable general business credit carryback and carryforward); or
- The qualified basis is reduced because of a casualty loss, provided the property is restored or replaced within a reasonable period.

Recordkeeping Requirements

To verify changes in qualified basis from year to year, you must keep, for 3 years after the 15-year compliance period ends, a copy of all Forms 8586, 8609, Schedule A (Form 8609), 8611, and 8693.

Specific Instructions

Note: If recapture is passed through from a flow-through entity (partnership, S corporation, estate or trust), skip lines 1-7 and go to line 8.

Item F. If the building is financed with tax-exempt bonds, furnish the following information: **(1)** name of the entity that issued the bond (not the name of the entity receiving the benefit of the financing); **(2)** date of issue, generally the first date there is a physical exchange of the bonds for the purchase price; **(3)** name of the issue, or if not named, other identification of the issue; and **(4)** CUSIP number of the bond with the latest maturity date. If the issue does not have a CUSIP number, enter "None."

Line 1. Enter the total credits claimed on the building for all prior years from Part I, Form 8586 (before reduction due to the tax liability limit). No credit may be claimed in the year of recapture. See Part I of Form(s) 8586 you have filed. **Do not** include credits taken by a previous owner.

Line 2. Determine the amount to enter on this line by completing a separate **Line 2 Worksheet** (below) for each prior year for which line 7 of Schedule A (Form 8609) was completed.

Line 4. Enter the credit recapture percentage, expressed as a decimal carried to at least 3 places, from the table below:

IF the recapture event occurs in . . .	THEN enter on line 4 . . .
Years 2 through 11333
Year 12267
Year 13200
Year 14133
Year 15067

Line 6. Enter the percentage decrease in qualified basis from the close of the previous year to the close of the current year.

For this purpose, figure qualified basis without regard to any additions to qualified basis after the first year of the credit period. Compare any decrease in qualified basis first to additions to qualified basis. Recapture applies only if the decrease in qualified basis

exceeds additions to qualified basis after the first year of the credit period.

If you disposed of the building or an ownership interest in it and did not post a bond, you must recapture all of the accelerated portion shown on line 5. Enter 1.000 on line 6.

Note: If the decrease causes the qualified basis to fall below the minimum set-aside requirements of section 42(g)(1) (the 20-50 test or the 40-60 test), then 100% of the amount shown on line 5 must be recaptured. Enter 1.000 on line 6. If you elected the 40-60 test for this building and the decrease causes you to fall below 40%, you **cannot** switch to the 20-50 test to meet the set-aside requirements. You must recapture the entire amount shown on line 5.

Line 9. Multiply the unused credits attributable to this building by the decimal amount on line 4 and enter the result on line 9. Reduce the amount of any unused credit by the amount of recapture before claiming any carryforward of the low-income housing credit on Form 3800. See the separate Instructions for Form 3800 for details on the carryforward of unused credits.

Special rule for electing large partnerships. Enter zero on line 9. An electing large partnership is treated as having fully used all prior year credits.

Line 11. Compute the interest separately for each prior tax year for which a credit is being recaptured. Interest must be computed at the **overpayment rate** determined under section 6621(a)(1) and compounded on a daily basis from the due date (not including extensions) of the return for the prior year until the earlier of **(a)** the due date (not including extensions) of the return for the recapture year, or **(b)** the date the return for the recapture year is filed and any income tax due for that year has been fully paid.

Tables of interest factors to compute daily compound interest were published in Rev. Proc. 95-17, 1995-1 C.B. 556. The annual interest rate in effect and the corresponding page number in 1995-1 C.B. for periods through March 31, 1999, are shown in Rev. Rul. 98-61, 1998-51 I.R.B. 8. For periods after March 31, 1999, use the overpayment rate under section 6621(a)(1) in the revenue rulings published quarterly in the Internal Revenue Bulletin.

Note: If the line 8 recapture amount is from a section 42(j)(5) partnership, the partnership will figure the interest and include it in the recapture amount reported to you. Enter "-0-" on line 11 and write "Section 42(j)(5)" to the left of the entry space for line 11.

Line 12. Special rule for electing large partnerships. Subtract the current year credit, if any, shown on Form 8586, line 7, from the total of the line 12 amounts from all Forms 8611. Enter the result (but not less than zero) on Form 1065-B, Part I, line 26.

Note: You must also reduce the current year low-income housing credit, before entering it on Schedules K and K-1, by the amount of the reduction to the total of the recapture amounts.

Lines 13 and 14. Only section 42(j)(5) partnerships complete these lines. This is a partnership (other than an electing large partnership) that has at least 35 partners, unless the partnership elects (or has previously elected) not to be treated as a section 42(j)(5) partnership. For purposes of this definition, a husband and wife are treated as one partner.

For purposes of determining the credit recapture amount, a section 42(j)(5) partnership is treated as the taxpayer to which the low-income housing credit was allowed and as if the amount of credit allowed was the entire amount allowable under section 42(a).

See the instructions for line 11 to figure the interest on line 13. The partnership must attach Form 8611 to its Form 1065 and allocate this amount to each partner on Schedule K-1 (Form 1065) in the same manner as the partnership's taxable income is allocated to each partner.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

Recordkeeping 6 hr., 56 min.

Learning about the law or the form1 hr., 5 min.

Preparing and sending the form to the IRS 1 hr., 16 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the IRS at the address listed in the instructions for the tax return with which this form is filed.

Line 2 Worksheet

a Enter the amount from line 10, Schedule A (Form 8609)	a
b Multiply a by 2	b
c Enter the amount from line 11, Schedule A (Form 8609)	c
d Subtract c from b	d
e Enter decimal amount figured in step 1 of the instructions for line 14, Schedule A (Form 8609). If line 14 does not apply to you, enter -0-	e
f Multiply d by e	f
g Subtract f from d	g
h Divide line 16, Schedule A (Form 8609) by line 15, Schedule A (Form 8609). Enter the result here	h
i Multiply g by h . Enter this amount on line 2. (If more than one worksheet is completed, add the amounts on i from all worksheets and enter the total on line 2.)	i



Return by a Shareholder of a Passive Foreign Investment Company or Qualified Electing Fund

OMB No. 1545-1002

Attachment Sequence No. **69**

▶ See separate instructions.

Name of shareholder	Identifying number (see page 2 of instructions)
Number, street, and room or suite no. (If a P.O. box, see page 3 of instructions.)	Your tax year: calendar year..... or other tax year beginning and ending
City or town, state, and ZIP code or country	
Check type of shareholder filing the return: <input type="checkbox"/> Individual <input type="checkbox"/> Corporation <input type="checkbox"/> Partnership <input type="checkbox"/> S Corporation <input type="checkbox"/> Nongrantor Trust <input type="checkbox"/> Estate	
Name of passive foreign investment company (PFIC) or qualified electing fund (QEF)	Employer identification number (if any)
Address (Enter number, street, city or town, and country.)	Tax year of company or fund: calendar year or other tax year beginning and ending

Part I Elections (See instructions.)

- A Election To Treat the PFIC as a QEF.** I, a shareholder of a PFIC, elect to treat the PFIC as a QEF. *Complete lines 1a through 2c of Part II.*
- B Deemed Sale Election.** I, a shareholder on the first day of a PFIC's first tax year as a QEF, elect to recognize gain on the deemed sale of my interest in the PFIC. *Enter gain or loss on line 10f of Part IV.*
- C Deemed Dividend Election.** I, a shareholder on the first day of a PFIC's first tax year as a QEF that is a controlled foreign corporation (CFC), elect to treat an amount equal to my share of the post-1986 earnings and profits of the CFC as an excess distribution. *Enter this amount on line 10e.*
- D Election To Extend Time For Payment of Tax.** I, a shareholder of a QEF, elect to extend the time for payment of tax on the undistributed earnings and profits of the QEF until this election is terminated. *Complete lines 3a through 4c of Part II to calculate the tax that may be deferred.*
Note: *If any portion of line 1a or line 2a of Part II is includible under section 551 or 951, you may **not** make this election. Also, see sections 1294(c) and 1294(f) and the related regulations for events that terminate this election.*
- E Election To Recognize Gain on Deemed Sale of PFIC.** I, a shareholder of a former PFIC, elect to treat as an excess distribution the gain recognized on the deemed sale of my interest in the PFIC, or, if I qualify, my share of the PFIC's post-1986 earnings and profits deemed distributed, on the last day of its last tax year as a PFIC under section 1297(a). *Enter excess distribution on line 10e or 10f of Part IV.*
- F Election To Mark-to-Market PFIC Stock.** I, a shareholder of a PFIC, elect to mark-to-market the stock of that PFIC, which stock is marketable within the meaning of section 1296(e). *Complete Part III.*

Part II Income From a Qualified Electing Fund (QEF). All QEF shareholders complete lines 1a through 2c. If you are making Election D, also complete lines 3a through 4c. (See page 5 of instructions.)

1a Enter your pro rata share of the ordinary earnings of the QEF	1a			
b Enter the portion of line 1a that is included in income under section 551 or 951 or that may be excluded under section 1293(g)	1b			
c Subtract line 1b from line 1a. Enter this amount on your tax return as dividend income		1c		
2a Enter your pro rata share of the total net capital gain of the QEF	2a			
b Enter the portion of line 2a that is included in income under section 551 or 951 or that may be excluded under section 1293(g)	2b			
c Subtract line 2b from line 2a. This amount is a net long-term capital gain. Enter this amount in Part II of the Schedule D used for your income tax return. (See page 5 of instructions.)		2c		
3a Add lines 1c and 2c		3a		
b Enter the total amount of cash and the fair market value of other property distributed or deemed distributed to you during the tax year of the QEF. (See page 5 of instructions.)	3b			
c Enter the portion of line 3a not already included in line 3b that is attributable to shares in the QEF that you disposed of, pledged, or otherwise transferred during the tax year	3c			
d Add lines 3b and 3c		3d		
e Subtract line 3d from line 3a, and enter the difference (if zero or less, enter amount in brackets)		3e		
Important: <i>If line 3e is greater than zero, and no portion of line 1a or 2a is includible in income under section 551 or 951, you may make Election D with respect to the amount on line 3e.</i>				
4a Enter the total tax for the tax year (See instructions.)	4a			
b Enter the total tax for the tax year determined without regard to the amount entered on line 3e	4b			
c Subtract line 4b from line 4a. This is the deferred tax, the time for payment of which is extended by making Election D. See instructions.		4c		

Part III Gain or (Loss) From Mark-to-Market Election (See page 5 of instructions.)

5	Enter the fair market value of your PFIC stock at the end of the tax year	5	
6	Enter your adjusted basis in the stock at the end of the tax year	6	
7	Excess. Subtract line 6 from line 5. If a gain, stop here. Include this amount as ordinary income on your tax return. If a loss, go to line 8	7	
8	Enter any unreversed inclusions (as defined in section 1296(d))	8	
9	Enter the smaller of line 7 or line 8. Include this amount as an ordinary loss on your tax return	9	

Part IV Distributions and Disposition of Stock in a Section 1291 Fund (See page 6 of instructions.)

Complete a separate Part IV for each excess distribution.

10a	Enter your total distributions from the PFIC during the current tax year. If the holding period of the PFIC stock began in the current tax year, this amount is dividend income to the extent there are accumulated earnings and profits	10a	
b	Enter the total distributions (reduced by the portions of such distributions that were excess distributions but not included in income under section 1291(a)(1)(B)) made by the company for each of the 3 years preceding the current tax year (or if shorter, the portion of the shareholder's holding period before the current tax year)	10b	
c	Divide line 10b by 3. (See instructions if the number of preceding tax years is less than 3.)	10c	
d	Multiply line 10c by 125%. Enter the lesser of line 10a or line 10d as a dividend on your income tax return	10d	
e	Subtract line 10d from line 10a. This amount, if more than zero, is the total excess distribution. If zero or less and you did not dispose of stock during the tax year, do not complete the rest of Part IV. See instructions if you received more than one distribution during the current tax year	10e	
f	Enter gain or loss from the disposition of stock of a section 1291 fund or former section 1291 fund. If a gain, complete line 11. If a loss, show it in brackets and do not complete line 11	10f	
11a	Attach a statement for each distribution and disposition. Show your holding period for each share of stock or block of shares held. Allocate the excess distribution to each day in your holding period. Add all amounts that are allocated to days in each tax year.		
b	Enter the total of the amounts determined in line 11a that are allocable to the current tax year and tax years before the foreign corporation became a PFIC (pre-PFIC tax years). Enter these amounts on your income tax return as other income	11b	
c	Enter the aggregate increases in tax (before credits) for each tax year in your holding period (other than the current tax year and pre-PFIC years). (See instructions.)	11c	
d	Foreign tax credit. (See instructions.)	11d	
e	Subtract line 11d from line 11c. Enter this amount on your income tax return as "additional tax." (See instructions.)	11e	
f	Determine interest on each net increase in tax determined on line 11e using the rates and methods of section 6621. Enter the aggregate amount of interest here. (See instructions.)	11f	

Part V Status of Prior Year Section 1294 Elections and Termination of Section 1294 Elections

Complete a separate column for each outstanding election. Complete lines 9 and 10 only if there is a partial termination of the section 1294 election.

	(i)	(ii)	(iii)	(iv)	(v)	(vi)
1 Tax year of outstanding election	-----	-----	-----	-----	-----	-----
2 Undistributed earnings to which the election relates						
3 Deferred tax						
4 Interest accrued on deferred tax (line 3) as of the filing date						
5 Event terminating election						
6 Earnings distributed or deemed distributed during the tax year						
7 Deferred tax due with this return						
8 Accrued interest due with this return.						
9 Deferred tax outstanding after partial termination of election						
10 Interest accrued after partial termination of election						



Low-Income Housing Credit Disposition Bond
(For use by taxpayers posting bond under section 42(j)(6))

OMB No. 1545-1029

Attachment
Sequence No. **91**

Attach to your return after receiving IRS approval.

Name of taxpayer making disposition	Identifying number
-------------------------------------	--------------------

Part I Bonding

1 Address of building as shown on Form 8609 (do not use P.O. box)	2 Building identification number
	3 Date the 15-year compliance period ends
4 Check the box that applies: This is an <input type="checkbox"/> original bond, <input type="checkbox"/> strengthening bond, or <input type="checkbox"/> superseding bond.	5 Date property interest disposed of
	6 Date bond issued

7a Bond is given by _____ ()
Principal Telephone number (optional)

Address
as principal and _____
Surety

Address as surety or sureties.

7b As principal and surety, we are obligated to the United States in the amount of \$ _____. We also jointly and severally obligate our heirs, executors, administrators, successors, and assigns for the payment of this amount.

Part II Signatures

Under penalties of perjury, I declare that I have examined this form and any accompanying statements, and to the best of my knowledge and belief, they are true, correct, and complete.

Signature of principal	Name (please print)	Date
Signature of principal	Name (please print)	Date
Signature of surety	Name and identifying number (please print)	Date
Signature of surety	Name and identifying number (please print)	Date

Part III Certificate of Corporate Principal (corporations only)

I certify that the person above, who signed on behalf of the principal, was an authorized representative of the corporation.

Signature of secretary of the corporation	Name (please print)	Date
---	---------------------	------

Part IV Approval by IRS (See instructions.)

Bond approved _____	Date _____	Internal Revenue Service official _____
---------------------	------------	---

General Instructions

Section references are to the Internal Revenue Code.

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control

number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

- Recordkeeping** 13 min.
- Learning about the law or the form** 14 min.
- Preparing, copying, assembling, and sending the form to the IRS.** 40 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **DO NOT** send Form 8693 to this address. Instead, see **When and Where To File** on page 2.

Purpose of Form

Use Form 8693 to post a bond under section 42(j)(6) to avoid recapture of the low-income housing credit.

The bond ensures payment of the recapture tax imposed under section 42(j). The conditions of the bond are that the principal (i.e., taxpayer):

- Does not attempt to defraud the United States of any tax under section 42(j);
- Files all returns and statements as required by law or regulations;
- Pays all taxes including any penalties and interest charges; and
- Complies with all other requirements of the law and regulations under section 42.

Qualifying Sureties

The company acting as surety must hold a Certificate of Authority from the Department of the Treasury, Financial Management Service. These companies are listed in Treasury Circular 570. You may get a copy of this circular by writing to the Department of the Treasury, Financial Management Service, Surety Bond Branch, 3700 East West Hwy., Hyattsville, MD 20782, or by calling (202) 874-6850 (not a toll-free number).

A taxpayer may not be a surety for itself, nor may a member of a firm or a partner in a partnership be a surety for the firm or partnership of which he or she is a member or a partner.

Surety Termination

If a surety's certificate of authority is terminated, the surety may be relieved of liability under the bond provided it notifies the principal and the IRS by the date the termination announcement is published in the Federal Register. The notice must be sent by certified mail and must state that the principal has 60 days from the date the termination announcement is published in the Federal Register to get an adequate strengthening or superseding bond with another surety listed in Treasury Circular 570. If notice is given, the principal's rights under the bond will end 60 days after the date the termination announcement is published in the Federal Register.

A qualified surety (or coinsuring surety) may terminate its liability on a bond only if the surety notifies the principal and the IRS at least 60 days before the date the surety wants to terminate its liability. The notice must state that the principal has 60 days from the termination date to obtain an adequate superseding or strengthening bond from another qualified surety (or coinsuring surety).

If the surety does not provide this notice, it remains liable for the amount posted on the bond. If the surety gives notice but does not meet the 60-day notification requirement or fails to include a termination date in the notice, the surety's liability will terminate 60 days after the postmark date on the notice.

Send the IRS copy of the notice to the Internal Revenue Service Center, Philadelphia, PA 19255.

If the principal fails to post a strengthening or superseding bond within 60 days from the date (a) the termination announcement is published in the Federal Register or (b) on which a surety's liability on a bond terminates, recapture under section 42(j) is required.

Period of Bond

The liability stated on the bond must be for the period of years remaining in the 15-year compliance period of the building plus an additional 58 months. The compliance period begins with the tax year the building was placed in service or the succeeding tax year if the election under section 42(f)(1) is made.

Recordkeeping

Keep a copy of this Form 8693 together with all Forms 8586, 8609, Schedule(s) A (Form 8609), and 8611 for 58 months after the 15-year compliance period ends.

Who Must File

Taxpayers who claimed a low-income housing credit on a residential rental building and later (in a tax year during the 15-year compliance period) disposed of the building or an ownership interest in it must file this form to avoid recapture of the credit claimed. A de minimis rule may apply to certain dispositions of interests in partnerships that own buildings in which a credit was claimed. See Rev. Rul. 90-60, 1990-2 C.B. 3, for additional information.

Partnerships

Section 42(j)(5) partnerships.—Any person holding a power of attorney in a section 42(j)(5) partnership (a partnership with 35 or more partners that has not elected out of the section 42(j)(5) provisions) may post bond as principal on behalf of the partnership. A bond posted on behalf of a partnership must be posted in the partnership's name, with the name of the authorized representative of the partnership posting the bond appearing immediately below the partnership's name.

Partnerships that elected out of the section 42(j)(5) provisions or have fewer than 35 partners.—If partners in partnerships to which section 42(j)(5) does not apply want to post bond, the partners must post bond in their individual capacity as principals.

When and Where To File

Submit the original and one copy of Form 8693 to the Internal Revenue Service Center, Philadelphia, PA 19255, within 60 days after the date of disposition of the building or interest therein. The completed form may be submitted by either the taxpayer or the surety.

When the IRS returns a copy of the approved form, attach a copy of it to your income tax return for the year in which the disposition occurred. Write "FORM 8693 ATTACHED" to the left of the entry space on your income tax return for reporting the recapture of the low-income housing credit.

Specific Instructions

Line 2. Building Identification Number (BIN).—This is the number assigned to the building by the housing credit agency on Part I, item E, of Form 8609, Low-Income Housing Credit Allocation Certification.

Line 7b. Amount of Bond.—Use the worksheet below to calculate the bond amount. See Rev. Rul. 90-60 for additional information on the methodology for determining the bond amount.

If the amount is not an even multiple of \$100, increase the bond amount to the next higher multiple of \$100.

Part III. Certificate of Corporate Principal.

—If the principal is a corporation, the authority of the person posting the bond must be certified by the secretary of the corporation by completing Part III. Or the corporation may attach copies of records that will show the authority of the officer signing if the copies are certified by the secretary to be true copies.

Part IV. Approval by the IRS.—The IRS will notify you of the approval or rejection of the bond. If approved, the IRS will send a copy of the approved Form 8693 to the principal shown in Part I. If rejected, the owner must recapture the allowed low-income housing credit. Use Form 8611, Recapture of Low-Income Housing Credit.

Worksheet for Computing Bond Amount

1 Total credits taken by you in previous years and any additional credits you anticipate claiming for any year or portion thereof preceding the date of disposition	\$ _____
2 Bond factor amount	_____ %
3 Percentage of taxpayer's total interest in the qualified low-income building disposed of	_____ %
4 Bond amount required to be posted (line 1 × line 2 × line 3). Enter here and on line 7b	\$ _____

Instructions for Worksheet

Line 1.—Enter the total amount of the credits claimed on the building. See Part I of Forms 8586 you have filed. Include any additional credits you anticipate claiming for any period preceding the date of disposition. Do not include credit amounts previously recaptured, credit amounts for which a bond was previously posted, or credits claimed on additions to qualified basis as determined under section 42(f)(3).

Line 2. Bond Factor Amount.—Enter the bond factor amount corresponding to the month in the compliance period in which the disposition occurred and the first year of the building's credit period. The IRS announces the monthly bond factor amounts quarterly in a revenue ruling published in the Internal Revenue Bulletin.

Line 3.—Enter the ownership interest in the qualified low-income building that you have disposed of. Include ownership interests held both directly and indirectly (e.g., through a partnership).



Interest Computation Under the Look-Back Method for Completed Long-Term Contracts

▶ See separate instructions. ▶ Please print or type.

For the filing year beginning _____, and ending _____ . See page 3 of the instructions.

<p>Name _____</p>	<p>A Identifying number</p>
<p>Fill In Your Address Only If You Are Filing This Form Separately and Not With Your Tax Return</p> <p>Number, street, and apt., room, or suite no. If a P.O. box, see page 3 of the instructions. _____ City or town, state, and ZIP code _____</p>	<p>B Check applicable box to show type of taxpayer:</p> <p><input type="checkbox"/> Corporation <input type="checkbox"/> S corporation <input type="checkbox"/> Individual <input type="checkbox"/> Partnership <input type="checkbox"/> Estate or trust</p>

C If you were an owner of an interest in a pass-through entity (such as a partnership or an S corporation) that holds one or more long-term contracts to which this interest computation relates, enter the name and employer identification number of the entity. Attach a schedule if there is more than one such entity.

Name of entity _____	Employer identification number _____
----------------------	--------------------------------------

Part I Regular Method

	Date of each prior year to which interest computation relates:			(d) Totals (Add columns (a), (b), and (c).)
	(a) Year ended mo. yr.	(b) Year ended mo. yr.	(c) Year ended mo. yr.	
<p>1 Taxable income (or loss) for the prior year(s) shown on tax return (or as previously adjusted) before net operating loss or capital loss carrybacks (other than carrybacks that must be taken into account to properly compute interest under section 460). See page 3 of the instructions. If you were required to file Form 8697 for an earlier year, enter adjusted taxable income for the prior year(s) from line 3, Form 8697, for the most recent filing year that affects the prior year(s)</p>				
<p>2 Adjustment to income to reflect the difference between: (a) the amount of income required to be allocated for post-February 1986 contracts completed or adjusted during the tax year based on the actual contract price and costs, and (b) the amount of income reported for such contracts based on estimated contract price and costs. See page 3 of the instructions and attach a schedule listing each separate contract, unless you were an owner of an interest in a pass-through entity reporting this amount from Schedule K-1 or a similar statement</p>				
<p>3 Adjusted taxable income for look-back purposes. Combine lines 1 and 2</p>				
<p>4 Income tax liability on line 3 amount using tax rates in effect for the prior year(s). See page 3 of the instructions. . . .</p>				
<p>5 Income tax liability shown on return (or as previously adjusted) for the prior year(s). See page 3 of the instructions. If you were required to file Form 8697 for an earlier year, enter the amount required to be reported on line 4, Form 8697, for the most recent filing year that affects the prior year(s)</p>				
<p>6 Increase (or decrease) in tax for the prior year(s) on which interest is due (or is to be refunded). Line 4 minus line 5</p>				
<p>7 Interest due on increase, if any, shown on line 6. See page 3 of the instructions for computation</p>				
<p>8 Interest to be refunded on decrease, if any, shown on line 6. See page 3 of the instructions for computation</p>				
<p>9 Net amount of INTEREST TO BE REFUNDED TO YOU. If line 8, column (d), exceeds line 7, column (d), enter the excess. File Form 8697 separately; DO NOT attach it to your tax return. See page 4 of the instructions</p>				
<p>10 Net amount of INTEREST YOU OWE. If line 7, column (d), exceeds line 8, column (d), enter the excess. Attach Form 8697 to your tax return. See page 4 of the instructions for where to include this amount on your return</p>				

Part II Simplified Marginal Impact Method

	Date of each prior year to which interest computation relates:			(d) Totals (Add columns (a), (b), and (c).)
	(a) Year ended mo. yr.	(b) Year ended mo. yr.	(c) Year ended mo. yr.	
1 Adjustment to regular taxable income to reflect the difference between: (a) the amount of such income required to be allocated for post-February 1986 contracts completed or adjusted during the tax year based on actual contract price and costs, and (b) the amount of such income reported for such contracts based on estimated contract price and costs. See page 5 of the instructions and attach a schedule listing each separate contract, unless you were an owner of an interest in a pass-through entity reporting this amount from Schedule K-1 or a similar statement				
2 Increase (or decrease) in regular tax for prior year(s). Multiply line 1 in each column by the applicable regular tax rate. See page 5 of the instructions Note: For prior years beginning before 1987, skip lines 3 and 4 and enter on line 5 the amount from line 2.				
3 Adjustment to alternative minimum taxable income to reflect the difference between: (a) the amount of such income required to be allocated for post-February 1986 contracts completed or adjusted during the tax year based on actual contract price and costs, and (b) the amount of such income reported for such contracts based on estimated contract price and costs. See page 5 of the instructions and attach a schedule listing each separate contract, unless you were an owner of an interest in a pass-through entity reporting this amount from Schedule K-1 or a similar statement				
4 Increase (or decrease) in alternative minimum tax (AMT) for prior year(s). Multiply line 3 in each column by the applicable AMT rate. See page 5 of the instructions.				
5 Enter the amount from line 2 or line 4, whichever is greater. See page 5 of the instructions if either amount is negative Pass-through entities: Skip line 6 and enter on line 7 the amount from line 5.				
6 Overpayment ceiling. For each column in which line 5 is a negative number, enter your total tax liability for the prior year, as adjusted for past applications of the look-back method, and after net operating loss, capital loss, and credit carryovers and carrybacks to that year. For each column in which line 5 is a positive number, leave line 6 blank and enter on line 7 the amount from line 5				
7 Increase (or decrease) in tax for the prior year(s) on which interest is due (or is to be refunded). Enter the amount from line 5 or line 6, whichever is smaller. Treat both numbers as positive when making this comparison, but enter the amount as a negative number				
8 Interest due on increase, if any, shown on line 7. See page 5 of the instructions for computation				
9 Interest to be refunded on decrease, if any, shown on line 7. See page 5 of the instructions for computation				
10 Net amount of INTEREST TO BE REFUNDED TO YOU . If line 9, column (d), exceeds line 8, column (d), enter the excess. File Form 8697 separately; DO NOT attach it to your tax return. See page 5 of the instructions				
11 Net amount of INTEREST YOU OWE . If line 8, column (d), exceeds line 9, column (d), enter the excess. Attach Form 8697 to your tax return. See page 5 of the instructions for where to include this amount on your return				

Sign Here Only If You Are Filing This Form Separately and Not With Your Tax Return

Under penalties of perjury, I declare that I have examined this form, including accompanying schedules and statements, and to the best of my knowledge and belief, it is true, correct, and complete. Declaration of preparer (other than taxpayer) is based on all information of which preparer has any knowledge.

Signature(s) _____ Date _____

Paid Preparer's Use Only	Preparer's signature	Date	Check if self-employed <input type="checkbox"/>	Preparer's social security number
	Firm's name (or yours if self-employed) and address			EIN
				ZIP code



Name(s) shown on return

Identifying number

Part I Current Year Credit

1	Qualified clinical testing expenses paid or incurred during the tax year	1		
2	Current year credit. Multiply line 1 by 50% (.50) (see instructions)	2		
3	Flow-through orphan drug credit(s) from an S corporation, partnership, estate, or trust	3		
4	Total current year orphan drug credit. Add lines 2 and 3	4		

Part II Tax Liability Limit (See **Who Must File Form 3800** to find out if you complete Part II or file Form 3800.)

5	Regular tax before credits:			
	• Individuals. Enter the amount from Form 1040, line 40	}	5	
	• Corporations. Enter the amount from Form 1120, Schedule J, line 3; Form 1120-A, Part I, line 1; or the applicable line of your return			
	• Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b, or the applicable line of your return			
6	Alternative minimum tax:			
	• Individuals. Enter the amount from Form 6251, line 28	}	6	
	• Corporations. Enter the amount from Form 4626, line 15			
	• Estates and trusts. Enter the amount from Form 1041, Schedule I, line 39			
7	Add lines 5 and 6		7	
8a	Foreign tax credit	8a		
b	Credit for child and dependent care expenses (Form 2441, line 9)	8b		
c	Credit for the elderly or the disabled (Schedule R (Form 1040), line 20)	8c		
d	Education credits (Form 8863, line 18)	8d		
e	Child tax credit (Form 1040, line 47)	8e		
f	Mortgage interest credit (Form 8396, line 11)	8f		
g	Adoption credit (Form 8839, line 14)	8g		
h	District of Columbia first-time homebuyer credit (Form 8859, line 11)	8h		
i	Possessions tax credit (Form 5735, line 17 or 27)	8i		
j	Credit for fuel from a nonconventional source	8j		
k	Qualified electric vehicle credit (Form 8834, line 19)	8k		
l	Add lines 8a through 8k		8l	
9	Net income tax. Subtract line 8l from line 7		9	
10	Tentative minimum tax (see instructions):			
	• Individuals. Enter the amount from Form 6251, line 26	}	10	
	• Corporations. Enter the amount from Form 4626, line 13			
	• Estates and trusts. Enter the amount from Form 1041, Schedule I, line 37			
11	Net regular tax. Subtract line 8l from line 5. If zero or less, enter -0-		11	
12	Enter 25% (.25) of the excess, if any, of line 11 over \$25,000 (see instructions)		12	
13	Enter the greater of line 10 or line 12		13	
14	Subtract line 13 from line 9. If zero or less, enter -0-		14	
15	Orphan drug credit allowed for the current year. Enter the smaller of line 4 or line 14 here and on Form 1040, line 49; Form 1120, Schedule J, line 6d; Form 1120-A, Part I, line 4a; Form 1041, Schedule G, line 2c; or the applicable line of your return		15	

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

File Form 8820 if you elect to claim the orphan drug credit. The credit equals 50% of qualified clinical testing expenses paid or incurred during the tax year. See section

45C and Regulations section 1.28-1 for more details.

Who Must File

An individual, estate, trust, organization, or corporation claiming an orphan drug credit, or any S corporation, partnership, estate, or trust that allocates the credit to its shareholders, partners, or beneficiaries must complete this form and attach it to its income tax return.

Definitions

Qualified clinical testing expenses.

Generally, qualified clinical testing expenses are amounts paid or incurred by the taxpayer that would be described as qualified research expenses under section 41, with the following modifications:

1. In sections 41(b)(2) and (3), "clinical testing" is substituted for "qualified research," and

2. 100% (instead of 65% or 75%) of contract research expenses are treated as clinical testing expenses.

Qualified clinical testing expenses do not include expenses to the extent they are funded by a grant, contract, or otherwise by a governmental entity or another person.

Clinical testing. Generally, clinical testing means any human clinical testing that meets ALL of the following conditions:

1. The testing is carried out under an exemption for a drug being tested for a rare disease or condition under section 505(i) of the Federal Food, Drug, and Cosmetic Act (Act).
2. The testing occurs after the date the drug is designated under Act section 526 and before the date on which an application for the drug is approved under Act section 505(b) (or, if the drug is a biological product, before the date the drug is licensed under section 351 of the Public Health Service Act).
3. The testing is conducted by or for the taxpayer to whom the designation under Act section 526 applies.
4. The testing relates to the use of the drug for the rare disease or condition for which it was designated under Act section 526.

Rare disease or condition. A rare disease or condition is one which afflicts:

1. 200,000 or fewer persons in the United States, OR
2. More than 200,000 persons in the United States, but for which there is no reasonable expectation of recovering the cost of developing and making available a drug in the United States for the disease from sales of the drug in the United States.

The above determinations are made as of the date the drug is designated under Act section 526.

Testing Not Eligible for the Credit

The credit is not allowed for clinical testing conducted outside the United States unless there is an insufficient U.S. testing population and the testing is conducted by a U.S. person or by another person not related to the taxpayer. Testing conducted either inside or outside the United States by a corporation to which section 936 applies is not eligible for the orphan drug credit.

Coordination With the Research Credit

Qualified clinical testing expenses used to figure the orphan drug credit cannot also be used to figure the credit for increasing research activities. However, any of these expenses that are also qualified research expenses must be included in base period research expenses when figuring the credit for increasing research activities in a later tax year.

Specific Instructions

Figure any orphan drug credit from your own trade or business on lines 1 and 2. Skip lines 1 and 2 if you are claiming only a credit that was allocated to you from an S corporation, a partnership, an estate, or trust.

Line 1. *Members of a controlled group of corporations or group of businesses under common control.* The group is treated as a single taxpayer and the credit allowed each member is based on its proportionate share of the qualified clinical testing expenses of the group. Enter on line 1 this member's share of the group's qualified clinical testing expenses.

Line 2. You must reduce the deduction for qualified clinical testing expenses otherwise allowable on your income tax return by the amount of the credit shown on line 2. If the credit exceeds the amount allowed as a deduction for the tax year, reduce the amount chargeable to the capital account for the year for such expenses by the amount of the excess. See section 280C(b) for special rules.

Line 3. Enter the amount of credit that was allocated to you as a shareholder, partner, or beneficiary.

Line 4. *Estates and trusts.* Allocate the orphan drug credit on line 4 between the estate or trust and the beneficiaries in the same proportion as income was allocated. On the dotted line to the left of line 4, the estate or trust should enter its share of the credit. Label it "1041 PORTION" and use this amount in Part II (or on Form 3800, if required) to figure the credit to take on Form 1041. On Schedule K-1, show each beneficiary's share of the portion allocated to beneficiaries.

S corporations and partnerships. Allocate the orphan drug credit on line 4 among the shareholders or partners. Attach Form 8820 to Form 1120S or 1065 and on Schedule K-1 show the credit for each shareholder or partner. Electing large partnerships, include this credit in "general credits."

Who Must File Form 3800

If for this year you have more than one of the credits included in the general business credit, a carryback or carryforward of any of these credits, an orphan drug credit from a passive activity, or general credits from an electing large partnership (Schedule K-1 (Form 1065-B)), you must complete **Form 3800**, General Business Credit, instead of completing Part II of Form 8820, to figure the tax liability limit.

The general business credit consists of the following credits:

- Investment (Form 3468),
- Work opportunity (Form 5884),
- Welfare-to-work (Form 8861),
- Alcohol used as fuel (Form 6478),
- Research (Form 6765),
- Low-income housing (Form 8586),
- Enhanced oil recovery (Form 8830),

- Disabled access (Form 8826),
- Renewable electricity production (Form 8835),
- Indian employment (Form 8845),
- Employer social security and Medicare taxes paid on certain employee tips (Form 8846),
- Orphan drug (Form 8820),
- Contributions to selected community development corporations (Form 8847), and
- Trans-Alaska pipeline liability fund.

The empowerment zone employment credit (Form 8844), while a component of the general business credit, is figured separately on Form 8844 and is never carried to Form 3800.

Line 10. Although you may not owe alternative minimum tax (AMT), you generally must still compute the tentative minimum tax (TMT) to figure your credit. For a small corporation exempt from the AMT under section 55(e), enter zero. Otherwise, complete **and** attach the applicable AMT form or schedule and enter the TMT on line 10.

Line 11. See section 38(c)(3) for special rules that apply to married couples filing separate returns, controlled corporate groups, regulated investment companies, real estate investment trusts, and estates and trusts.

Line 14. If you cannot use part of the credit because of the tax liability limit (line 13 is smaller than line 4), carry it back 1 year and then forward 20 years. See the separate **Instructions for Form 3800** for details.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

- Recordkeeping** 6 hr., 13 min.
- Learning about the law or the form** 1 hr., 23 min.
- Preparing and sending the form to the IRS** 1 hr., 8 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. See the instructions for the tax return with which this form is filed.



Like-Kind Exchanges

(and nonrecognition of gain from conflict-of-interest sales)

▶ Attach to your tax return.

Name(s) shown on tax return

Identifying number

Part I Information on the Like-Kind Exchange

Note: If the property described on line 1 or line 2 is real or personal property located outside the United States, indicate the country.

- 1 Description of like-kind property given up ▶
- 2 Description of like-kind property received ▶
- 3 Date like-kind property given up was originally acquired (month, day, year)

3	/	/
---	---	---
- 4 Date you actually transferred your property to other party (month, day, year)

4	/	/
---	---	---
- 5 Date like-kind property you received was identified (month, day, year). See instructions

5	/	/
---	---	---
- 6 Date you actually received the like-kind property from other party (month, day, year)

6	/	/
---	---	---
- 7 Was the exchange made with a related party? If "Yes," complete Part II. If "No," go to Part III. See instructions.
 - a Yes, in this tax year b Yes, in a prior tax year c No

Part II Related Party Exchange Information

- 8 Name of related party Related party's identifying number

- Address (no., street, and apt., room, or suite no.)

- City or town, state, and ZIP code Relationship to you

- 9 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did the related party sell or dispose of the like-kind property received from you in the exchange? Yes No
- 10 During this tax year (and before the date that is 2 years after the last transfer of property that was part of the exchange), did you sell or dispose of the like-kind property you received? Yes No

If both lines 9 and 10 are "No" and this is the year of the exchange, go to Part III. If both lines 9 and 10 are "No" and this is **not** the year of the exchange, stop here. If either line 9 or line 10 is "Yes," complete Part III and report on this year's tax return the deferred gain or (loss) from line 24 **unless** one of the exceptions on line 11 applies. See **Related party exchanges** in the instructions.

11 If one of the exceptions below applies to the disposition, check the applicable box:

- a The disposition was after the death of either of the related parties.
- b The disposition was an involuntary conversion, and the threat of conversion occurred after the exchange.
- c You can establish to the satisfaction of the IRS that neither the exchange nor the disposition had tax avoidance as its principal purpose. If this box is checked, attach an explanation. See instructions.

Part III Realized Gain or (Loss), Recognized Gain, and Basis of Like-Kind Property Received

Caution: If you transferred **and** received (a) more than one group of like-kind properties, or (b) cash or other (not like-kind) property, see **Reporting of multi-asset exchanges** in the instructions.

Note: Complete lines 12 through 14 **only** if you gave up property that was not like-kind. Otherwise, go to line 15.

12 Fair market value (FMV) of other property given up	12		
13 Adjusted basis of other property given up	13		
14 Gain or (loss) recognized on other property given up. Subtract line 13 from line 12. Report the gain or (loss) in the same manner as if the exchange had been a sale	14		
15 Cash received, FMV of other property received, plus net liabilities assumed by other party, reduced (but not below zero) by any exchange expenses you incurred. See instructions	15		
16 FMV of like-kind property you received	16		
17 Add lines 15 and 16	17		
18 Adjusted basis of like-kind property you gave up, net amounts paid to other party, plus any exchange expenses not used on line 15. See instructions	18		
19 Realized gain or (loss) . Subtract line 18 from line 17	19		
20 Enter the smaller of line 15 or line 19, but not less than zero	20		
21 Ordinary income under recapture rules. Enter here and on Form 4797, line 16. See instructions	21		
22 Subtract line 21 from line 20. If zero or less, enter -0-. If more than zero, enter here and on Schedule D or Form 4797, unless the installment method applies. See instructions	22		
23 Recognized gain . Add lines 21 and 22	23		
24 Deferred gain or (loss). Subtract line 23 from line 19. If a related party exchange, see instructions	24		
25 Basis of like-kind property received . Subtract line 15 from the sum of lines 18 and 23	25		

Name(s) shown on tax return. Do not enter name and social security number if shown on other side.

Your social security number

Part IV Section 1043 Conflict-of-Interest Sales. See instructions. Attach a copy of your certificate of divestiture.

Note: This part is to be used **only** by officers or employees of the executive branch of the Federal Government for reporting nonrecognition of gain under section 1043 on the sale of property to comply with the conflict-of-interest requirements. This part can be used only if the cost of the replacement property exceeds the basis of the divested property.

26	Description of divested property ▶			
27	Description of replacement property ▶			
28	Date divested property was sold (month, day, year)		28	/ /
29	Sales price of divested property. See instructions	29		
30	Basis of divested property	30		
31	Realized gain. Subtract line 30 from line 29		31	
32	Cost of replacement property purchased within 60 days after date of sale	32		
33	Subtract line 32 from line 29. If zero or less, enter -0-		33	
34	Ordinary income under recapture rules. Enter here and on Form 4797, line 10. See instructions		34	
35	Subtract line 34 from line 33. If zero or less, enter -0-. If more than zero, enter here and on Schedule D or Form 4797. See instructions		35	
36	Recognized gain. Add lines 34 and 35		36	
37	Deferred gain. Subtract line 36 from line 31		37	
38	Basis of replacement property. Subtract line 37 from line 32		38	

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form

displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by Internal Revenue Code section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The

estimated average time is: **Recordkeeping, 27 min.; Learning about the law or the form, 27 min.; Preparing the form, 1 hr., 2 min.; Copying, assembling, and sending the form to the IRS, 34 min.**

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. See the instructions for the tax return with which this form is filed.

Rental Real Estate Income and Expenses of a Partnership or an S Corporation

2000

Department of the Treasury
Internal Revenue Service

▶ See instructions on back.

▶ Attach to Form 1065, Form 1065-B, or Form 1120S.

Name

Employer identification number

1 Show the kind and location of each property. See page 2 for additional properties.

A

B

C

D

		Properties			
		A	B	C	D
2 Gross rents	2				
Rental Real Estate Expenses					
3 Advertising	3				
4 Auto and travel	4				
5 Cleaning and maintenance	5				
6 Commissions	6				
7 Insurance	7				
8 Legal and other professional fees	8				
9 Interest	9				
10 Repairs	10				
11 Taxes	11				
12 Utilities	12				
13 Wages and salaries	13				
14 Depreciation (see instructions)	14				
15 Other (list) ▶	15				
16 Total expenses for each property. Add lines 3 through 15	16				

17 Total gross rents. Add gross rents from line 2, columns A through H **17**

18 Total expenses. Add total expenses from line 16, columns A through H **18** ()

19 Net gain (loss) from Form 4797, Part II, line 18, from the disposition of property from rental real estate activities **19**

20a Net income (loss) from rental real estate activities from partnerships, estates, and trusts in which this partnership or S corporation is a partner or beneficiary (from Schedule K-1) **20a**

b Identify below the partnerships, estates, or trusts from which net income (loss) is shown on line 20a. Attach a schedule if more space is needed:

(1) Name	(2) Employer identification number
.....
.....
.....

21 Net income (loss) from rental real estate activities. Combine lines 17 through 20a. Enter the result here and on:
 • **Form 1065 or 1120S:** Schedule K, line 2, or
 • **Form 1065-B:** Part I, line 4

1 Show the kind and location of each property.

E

F

G

H

		Properties			
		E	F	G	H
Rental Real Estate Income					
2 Gross rents	2				
Rental Real Estate Expenses					
3 Advertising	3				
4 Auto and travel	4				
5 Cleaning and maintenance	5				
6 Commissions	6				
7 Insurance	7				
8 Legal and other professional fees	8				
9 Interest	9				
10 Repairs	10				
11 Taxes	11				
12 Utilities	12				
13 Wages and salaries	13				
14 Depreciation (see instructions)	14				
15 Other (list) ▶	15				
.....					
.....					
16 Total expenses for each property. Add lines 3 through 15.	16				

Instructions

Section references are to the Internal Revenue Code.

Purpose of form. Partnerships and S corporations use Form 8825 to report income and deductible expenses from rental real estate activities, including net income (loss) from rental real estate activities that flow through from partnerships, estates, or trusts.

Before completing this form, be sure to read **Passive Activity Limitations** in the instructions for Form 1065 or Form 1120S, or **Passive Loss Limitation Activities** in the instructions for Form 1065-B, especially for the definition of "rental activity."

Lines 1 through 21. Form 8825 provides space for up to eight properties. If there are more than eight properties, complete and attach additional Forms 8825.

The number of columns to be used for reporting income and expenses on this form may differ from the number of rental real estate activities the partnership or S corporation has for purposes of the passive activity limitations. For example, a partnership owns two apartment buildings, each located in a different city. For purposes of the passive activity limitations, the partnership grouped both buildings into a single activity. Although the partnership has only one rental real estate activity, it must report the income and deductions for each building in separate columns.

However, if the partnership or S corporation has more than one rental real estate activity,

attach a statement to Schedule K that reports the net income (loss) for each separate activity. Also, attach a statement to each Schedule K-1 that reports each partner's or shareholder's share of the net income (loss) for each separate activity (except for limited partners in an electing large partnership). See **Passive Activity Reporting Requirements** in the instructions for Form 1065, Form 1065-B, or Form 1120S for additional information that must be provided for each activity.

Complete lines 1 through 16 for each property. But complete lines 17 through 21 on only one Form 8825. The figures on lines 17 and 18 should be the combined totals of all forms.

- Do not** report on Form 8825 any:
- Income or deductions from a trade or business activity or a rental activity other than rental real estate.
 - Portfolio income or deductions.
 - Section 179 expense deduction.
 - Other items that must be reported separately to the partners or shareholders.

Line 1. Show the kind of property rented out (e.g., "apartment building"). Give the street address, city or town, and state.

Line 14. The partnership or S corporation may claim a depreciation deduction each year for rental property (except for land, which is not depreciable). If the partnership or S corporation placed property in service during the current tax year or claimed depreciation on any vehicle or other listed property, complete and attach

Form 4562, Depreciation and Amortization. See Form 4562 and its instructions to figure the depreciation deduction.

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is: **Recordkeeping**, 6 hr., 28 min.; **Learning about the law or the form**, 34 min.; **Preparing the form**, 1 hr., 38 min.; **Copying, assembling, and sending the form to the IRS**, 16 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. See the instructions for the tax return with which this form is filed.



Name(s) shown on return

Identifying number

Part I Current Year Credit

1	Total eligible access expenditures	1		
2	Minimum amount	2	\$ 250	00
3	Subtract line 2 from line 1 (if less than zero, enter -0-)	3		
4	Maximum amount	4	\$10,000	00
5	Enter the smaller of line 3 or line 4.	5		
6	Current year credit. Multiply line 5 by 50% (.50)	6		
7	Disabled access credits from flow-through entities:			
	If you are a-	Then enter total of current year disabled access credit(s) from-		
	a Shareholder	Schedule K-1 (Form 1120S), lines 12d, 12e, or 13		
	b Partner	Schedule K-1 (Form 1065), lines 12c, 12d, or 13		
8	Total current year disabled access credit. Add lines 6 and 7, but do not enter more than \$5,000.	8		

Part II Tax Liability Limit (See **Who Must File Form 3800** to find out if you complete Part II or file Form 3800.)

9	Regular tax before credits:			
	• Individuals. Enter the amount from Form 1040, line 40	}		9
	• Corporations. Enter the amount from Form 1120, Schedule J, line 3; Form 1120-A, Part I, line 1; or the applicable line of your return			
	• Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b, or the applicable line of your return			
10	Alternative minimum tax:			
	• Individuals. Enter the amount from Form 6251, line 28	}		10
	• Corporations. Enter the amount from Form 4626, line 15			
	• Estates and trusts. Enter the amount from Form 1041, Schedule I, line 39			
11	Add lines 9 and 10			11
12a	Foreign tax credit	12a		
b	Credit for child and dependent care expenses (Form 2441, line 9)	12b		
c	Credit for the elderly or the disabled (Schedule R (Form 1040), line 20)	12c		
d	Education credits (Form 8863, line 18)	12d		
e	Child tax credit (Form 1040, line 47)	12e		
f	Mortgage interest credit (Form 8396, line 11)	12f		
g	Adoption credit (Form 8839, line 14)	12g		
h	District of Columbia first-time homebuyer credit (Form 8859, line 11)	12h		
i	Possessions tax credit (Form 5735, line 17 or 27)	12i		
j	Credit for fuel from a nonconventional source	12j		
k	Qualified electric vehicle credit (Form 8834, line 19)	12k		
l	Add lines 12a through 12k.	12l		
13	Net income tax. Subtract line 12l from line 11	13		
14	Tentative minimum tax (see instructions):			
	• Individuals. Enter the amount from Form 6251, line 26	}		14
	• Corporations. Enter the amount from Form 4626, line 13			
	• Estates and trusts. Enter the amount from Form 1041, Schedule I, line 37			
15	Net regular tax. Subtract line 12l from line 9. If zero or less, enter -0-	15		
16	Enter 25% (.25) of the excess, if any, of line 15 over \$25,000 (see instructions)	16		
17	Enter the greater of line 14 or line 16	17		
18	Subtract line 17 from line 13. If zero or less, enter -0-	18		
19	Disabled access credit allowed for the current year. Enter the smaller of line 8 or line 18 here and on Form 1040, line 49; Form 1120, Schedule J, line 6d; Form 1120-A, Part I, line 4a; Form 1041, Schedule G, line 2c; or the applicable line of your return	19		

Department of the Treasury
Internal Revenue Service

▶ Attach to your return.

Name(s) shown on return

Identifying number

Part I Current Year Credit (See instructions.)

1 Qualified enhanced oil recovery costs	1	
2 Current year credit. Multiply line 1 by 15% (.15) (see instructions)	2	
3 Enhanced oil recovery credits from flow-through entities		
If you are a— Then enter total of current year credit(s) from—		
a Shareholder	3	
b Partner		
4 Total current year credit. Add lines 2 and 3	4	

Part II Tax Liability Limit (See **Who Must File Form 3800** to find out if you complete Part II or file Form 3800.)

5 Regular tax before credits:		
• Individuals. Enter the amount from Form 1040, line 40	}	5
• Corporations. Enter the amount from Form 1120, Schedule J, line 3; Form 1120-A, Part I, line 1; or the applicable line of your return		
• Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b, or the applicable line of your return		
6 Alternative minimum tax:		
• Individuals. Enter the amount from Form 6251, line 28	}	6
• Corporations. Enter the amount from Form 4626, line 15		
• Estates and trusts. Enter the amount from Form 1041, Schedule I, line 39		
7 Add lines 5 and 6		7
8a Foreign tax credit	8a	
b Credit for child and dependent care expenses (Form 2441, line 9)	8b	
c Credit for the elderly or the disabled (Schedule R (Form 1040), line 20)	8c	
d Education credits (Form 8863, line 18)	8d	
e Child tax credit (Form 1040, line 47)	8e	
f Mortgage interest credit (Form 8396, line 11)	8f	
g Adoption credit (Form 8839, line 14)	8g	
h District of Columbia first-time homebuyer credit (Form 8859, line 11)	8h	
i Possessions tax credit (Form 5735, line 17 or 27)	8i	
j Credit for fuel from a nonconventional source	8j	
k Qualified electric vehicle credit (Form 8834, line 19)	8k	
l Add lines 8a through 8k		8l
9 Net income tax. Subtract line 8l from line 7		9
10 Tentative minimum tax (see instructions):		
• Individuals. Enter the amount from Form 6251, line 26	}	10
• Corporations. Enter the amount from Form 4626, line 13		
• Estates and trusts. Enter the amount from Form 1041, Schedule I, line 37		
11 Net regular tax. Subtract line 8l from line 5. If zero or less, enter -0-		11
12 Enter 25% (.25) of the excess, if any, of line 11 over \$25,000 (see instructions)		12
13 Enter the greater of line 10 or line 12		13
14 Subtract line 13 from line 9. If zero or less, enter -0-		14
15 Enhanced oil recovery credit allowed for the current year. Enter the smaller of line 4 or line 14 here and on Form 1040, line 49; Form 1120, Schedule J, line 6d; Form 1120-A, Part I, line 4a; Form 1041, Schedule G, line 2c; or the applicable line of your return		15

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Purpose of Form

Use Form 8830 to claim the enhanced oil recovery credit. Partnerships and S

corporations use the form to figure the credit to pass through to partners and shareholders. The credit is 15% of certain costs paid or incurred in connection with an enhanced oil recovery project.

An owner of an operating mineral interest may claim or elect not to claim this credit on either an original or amended

return at any time within 3 years from the due date of the return (determined without regard to extensions).

Amount of Credit

The tentative credit is 15% of qualified costs for the year. The credit is reduced when the reference price, determined

Entity Classification Election

Please Type or Print	Name of entity	Employer identification number (EIN)
	Number, street, and room or suite no. If a P.O. box, see instructions.	
	City or town, state, and ZIP code. If a foreign address, enter city, province or state, postal code and country.	

1 Type of election (see instructions):

- a Initial classification by a newly-formed entity (or change in current classification of an existing entity to take effect on January 1, 1997)
- b Change in current classification (to take effect later than January 1, 1997)

2 Form of entity (see instructions):

- a A domestic eligible entity electing to be classified as an association taxable as a corporation.
- b A domestic eligible entity electing to be classified as a partnership.
- c A domestic eligible entity with a single owner electing to be disregarded as a separate entity.
- d A foreign eligible entity electing to be classified as an association taxable as a corporation.
- e A foreign eligible entity electing to be classified as a partnership.
- f A foreign eligible entity with a single owner electing to be disregarded as a separate entity.

3 Election is to be effective beginning (month, day, year) (see instructions) ▶ ____ / ____ / ____

4 Name and title of person whom the IRS may call for more information	5 That person's telephone number
--	---

Consent Statement and Signature(s) (see instructions)

Under penalties of perjury, I (we) declare that I (we) consent to the election of the above-named entity to be classified as indicated above, and that I (we) have examined this consent statement, and to the best of my (our) knowledge and belief, it is true, correct, and complete. If I am an officer, manager, or member signing for all members of the entity, I further declare that I am authorized to execute this consent statement on their behalf.

Signature(s)	Date	Title

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

Paperwork Reduction Act Notice

We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

Recordkeeping . . . 1 hr., 20 min.
Learning about the law or the form . . . 1 hr., 41 min.
Preparing and sending the form to the IRS . . . 17 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **DO NOT** send the form to this address. Instead, see **Where To File** on page 3.

Purpose of Form

For Federal tax purposes, certain business entities automatically are classified as corporations. See items **1** and **3** through **8** under the definition of corporation on this page. Other business entities may choose how they are classified for Federal tax purposes. Except for a business entity automatically classified as a corporation, a business entity with at least two

members can choose to be classified as either an association taxable as a corporation or a partnership, and a business entity with a single member can choose to be classified as either an association taxable as a corporation or disregarded as an entity separate from its owner.

Generally, an eligible entity that does not file this form will be classified under the default rules described below. An eligible entity that chooses not to be classified under the default rules or that wishes to change its current classification must file Form 8832 to elect a classification. The IRS will use the information entered on this form to establish the entity's filing and reporting requirements for Federal tax purposes.

Default Rules

Existing entity default rule.—

Certain domestic and foreign entities that are already in existence before January 1, 1997, and have an established Federal tax classification, generally do not need to make an election to continue that classification. However, for an eligible entity with a single owner that claimed to be a partnership under the law in effect before January 1, 1997, that entity will now be disregarded as an entity separate from its owner. If an existing entity decides to change its classification, it may do so subject to the rules in Regulations section 301.7701-3(c)(1)(iv). A foreign eligible entity is treated as being in existence prior to the effective date of this section only if the entity's classification is relevant at any time during the 60 months prior to January 1, 1997.

Domestic default rule.—Unless an election is made on Form 8832, a domestic eligible entity is:

1. A partnership if it has two or more members.
2. Disregarded as an entity separate from its owner if it has a single owner.

Foreign default rule.—Unless an election is made on Form 8832, a foreign eligible entity is:

1. A partnership if it has two or more members and at least one member does not have limited liability.

2. An association if all members have limited liability.

3. Disregarded as an entity separate from its owner if it has a single owner that does not have limited liability.

Definitions

Business entity.—A business entity is any entity recognized for Federal tax purposes that is not properly classified as a trust under Regulations section 301.7701-4 or otherwise subject to special treatment under the Code. See Regulations section 301.7701-2(a).

Corporation.—For Federal tax purposes, a corporation is any of the following:

1. A business entity organized under a Federal or state statute, or under a statute of a federally recognized Indian tribe, if the statute describes or refers to the entity as incorporated or as a corporation, body corporate, or body politic.

2. An association (as determined under Regulations section 301.7701-3).

3. A business entity organized under a state statute, if the statute describes or refers to the entity as a joint-stock company or joint-stock association.

4. An insurance company.

5. A state-chartered business entity conducting banking activities, if any of its deposits are insured under the Federal Deposit Insurance Act, as amended, 12 U.S.C. 1811 et seq., or a similar Federal statute.

6. A business entity wholly owned by a state or any political subdivision thereof.

7. A business entity that is taxable as a corporation under a provision of the Code other than section 7701(a)(3).

8. A foreign business entity listed in Regulations section 301.7701-2(b)(8). However, a foreign business entity listed in those regulations generally will not be treated as a corporation if all of the following apply:

- a. The entity was in existence on May 8, 1996.

b. The entity's classification was relevant (as defined below) on May 8, 1996.

c. No person (including the entity) for whom the entity's classification was relevant on May 8, 1996, treats the entity as a corporation for purposes of filing that person's Federal income tax returns, information returns, and withholding documents for the tax year including May 8, 1996.

d. Any change in the entity's claimed classification within the 60 months prior to May 8, 1996, was a result of a change in the organizational documents of the entity, and the entity and all members of the entity recognized the Federal tax consequences of any change in the entity's classification within the 60 months prior to May 8, 1996.

e. The entity had a reasonable basis (within the meaning of section 6662) for treating the entity as other than a corporation on May 8, 1996.

f. Neither the entity nor any member was notified in writing on or before May 8, 1996, that the classification of the entity was under examination (in which case the entity's classification will be determined in the examination).

Binding contract rule.—If a foreign business entity described in Regulations section 301.7701-2(b)(8)(i) is formed after May 8, 1996, under a written binding contract (including an accepted bid to develop a project) in effect on May 8, 1996, and all times thereafter, in which the parties agreed to engage (directly or indirectly) in an active and substantial business operation in the jurisdiction in which the entity is formed, **8** on page 2 is applied by substituting the date of the entity's formation for May 8, 1996.

Eligible entity.—An eligible entity is a business entity that is not included in items **1** or **3** through **8** under the definition of corporation on page 2.

Limited liability.—A member of a foreign eligible entity has limited liability if the member has no personal liability for any debts or claims against the entity by reason of being a member. This determination is based solely on the statute or law under which the entity is organized (and, if relevant, the entity's organizational documents). A member has personal liability if the creditors of the entity may seek satisfaction of all or any part of the debts or claims against the entity from the member as such. A member has personal liability even if the member makes an agreement under which another person (whether or not a member of the entity) assumes that liability or agrees to indemnify that member for that liability.

Partnership.—A partnership is a business entity that has **at least** two members and is not a corporation as defined on page 2.

Relevant.—A foreign eligible entity's classification is relevant when its classification affects the liability of any person for Federal tax or information purposes. The date the classification of a foreign eligible entity is relevant is the date an event occurs that creates an obligation to file a Federal tax return, information return, or statement for which the classification of the entity must be determined.

Effect of Election

The resulting tax consequences of a change in classification remain the same no matter how a change in entity classification is achieved. For example, if an organization classified as an association elects to be classified as a partnership, the organization and its owners must recognize gain, if any, under the rules applicable to liquidations of corporations.

Who Must File

File this form for an **eligible entity** that is one of the following:

- A domestic entity electing to be classified as an association taxable as a corporation.

- A domestic entity electing to change its current classification (even if it is currently classified under the default rule).
- A foreign entity that has more than one owner, all owners have limited liability, and it elects to be classified as a partnership.
- A foreign entity that has at least one owner without limited liability, and it elects to be classified as an association taxable as a corporation.
- A foreign entity with a single owner having limited liability, and it elects to have the entity disregarded as an entity separate from its owner.
- A foreign entity electing to change its current classification (even if it is currently classified under the default rule).

Do not file this form for an eligible entity that is:

- Tax-exempt under section 501(a), or
- A real estate investment trust (REIT), as defined in section 856.

When To File

See the instructions for line 3.

Where To File

File Form 8832 with the Internal Revenue Service Center, Philadelphia, PA 19255. Also attach a copy of Form 8832 to the entity's Federal income tax or information return for the tax year of the election. If the entity is not required to file a return for that year, a copy of its Form 8832 must be attached to the Federal income tax or information returns of all direct or indirect owners of the entity for the tax year of the owner that includes the date on which the election took effect. Although failure to attach a copy will not invalidate an otherwise valid election, each member of the entity is required to file returns that are consistent with the entity's election. In addition, penalties may be assessed against persons who are required to, but who do not, attach Form 8832 to their returns. Other penalties may apply for filing Federal income tax or information returns inconsistent with the entity's election.

Specific Instructions

Employer Identification Number (EIN)

Show the correct EIN on Form 8832. If the entity does not have an EIN, it generally must apply for one on **Form SS-4**, Application for Employer Identification Number. If the filing of Form 8832 is the only reason the entity is applying for an EIN, check the "Other" box on line 9 of Form SS-4 and write "Form 8832" to the right of that box. If the entity has not received an EIN by the time Form 8832 is due, write "Applied for" in the space for the EIN. **Do not** apply for a new EIN for an existing entity that is changing its classification. If you are electing to disregard an entity as separate from its owner, enter the owner's EIN.

Address

Include the suite, room, or other unit number after the street address. If the Post Office does not deliver mail to the street address and the entity has a P.O. box, show the box number instead of the street address.

Line 1

Check box 1a if the entity is choosing a classification for the first time **and** the entity does not want to be classified under the applicable default classification. **Do not** file this form if the entity wants to be classified under the default rules.

Check box 1b if the entity is changing its current classification to take effect later than January 1, 1997, whether or not the entity's current classification is the default classification. However, once an eligible entity makes an election to change its classification (other than an election made by an existing entity to change its classification as of January 1, 1997), the entity cannot change its classification by election again during the 60 months after the effective date of the election. However, the IRS may permit (by private letter ruling) the entity to change its classification by election within the 60-month period if more than 50% of the ownership interests in the entity as of the effective date of the election are owned by persons that did not own any interests in the entity on the effective date of the entity's prior election.

Line 2

Check the appropriate box if you are changing a current classification (no matter how achieved), or are electing out of a default classification. **Do not** file this form if you fall within a default classification that is the desired classification for the new entity.

Line 3

Generally, the election will take effect on the date you enter on line 3 of this form or on the date filed if no date is entered on line 3. However, an election specifying an entity's classification for Federal tax

purposes can take effect no more than 75 days prior to the date the election is filed, nor can it take effect later than 12 months after the date on which the election is filed. If line 3 shows a date more than 75 days prior to the date on which the election is filed, the election will take effect 75 days before the date it is filed. If line 3 shows an effective date more than 12 months from the filing date, the election will take effect 12 months after the date the election was filed.

Regardless of the date filed, an election will in no event take effect before January 1, 1997.

Consent Statement and Signatures

Form 8832 must be signed by:

1. Each member of the electing entity who is an owner at the time the election is filed; or
2. Any officer, manager, or member of the electing entity who is authorized (under local law or the organizational documents) to make the election and who represents to having such authorization under penalties of perjury.

If an election is to be effective for any period prior to the time it is filed, each person who was an owner between the date the election is to be effective and the date the election is filed, and who is not an owner at the time the election is filed, must also sign.

If you need a continuation sheet or use a separate consent statement, attach it to Form 8832. The separate consent statement must contain the same information as shown on Form 8832.



▶ **Attach to your tax return.**
▶ **See instructions on back.**

Name(s) shown on return

Identifying number

Part I Tentative Credit

		(a)	(b)	(c)
Use a separate column for each vehicle. If you need more columns, use additional Forms 8834 and include the total on line 7.				
1	Cost of vehicle	1		
2	Section 179 expense deduction. See instructions	2		
3	Subtract line 2 from line 1	3		
4	Multiply line 3 by 10% (.10)	4		
5	Maximum credit per vehicle	5	4,000	4,000
6	Enter the smaller of line 4 or line 5	6		
7	Current year qualified electric vehicle credit. Add columns (a) through (c) on line 6			7
8	Credits from flow-through entities:			
If you are a—	Then enter total of current year qualified electric vehicle credit(s) from—			
Shareholder	Schedule K-1 (Form 1120S), lines 12d through 13			8
Partner	Schedule K-1 (Form 1065), lines 12c through 13			
9	Total current year credit. Add lines 7 and 8			9
10	Passive activity credits included on line 9. See instructions			10
11	Subtract line 10 from line 9			11
12	Passive activity credits allowed for 2000. See instructions			12
13	Tentative qualified electric vehicle credit. Add lines 11 and 12. ▶			13

Part II Tax Liability Limitation

14	Regular tax before credits:			
	<ul style="list-style-type: none"> • Individuals. Enter the amount from Form 1040, line 40. • Corporations. Enter the amount from Form 1120, Schedule J, line 3. • Other filers. Enter the regular tax before credits from your return. 			14
15	Credits that reduce regular tax before the qualified electric vehicle credit:			
a	Foreign tax credit	15a		15k
b	Credit for child and dependent care expenses (Form 2441, line 9)	15b		
c	Credit for the elderly or the disabled (Schedule R (Form 1040), line 20)	15c		
d	Education credits (Form 8863, line 18)	15d		
e	Child tax credit (Form 1040, line 44)	15e		
f	Mortgage interest credit (Form 8396, line 11)	15f		
g	Adoption credit (Form 8839, line 14)	15g		
h	District of Columbia first-time homebuyer credit (Form 8859, line 11)	15h		
i	Possessions tax credit (Form 5735, line 17 or 27)	15i		
j	Credit for fuel from a nonconventional source	15j		
k	Add lines 15a through 15j			
16	Net regular tax. Subtract line 15k from line 14. If zero or less, do not file this form; you cannot claim this credit			16
17	Tentative minimum tax (see instructions):			
	<ul style="list-style-type: none"> • Individuals. Enter the amount from Form 6251, line 26. • Corporations. Enter the amount from Form 4626, line 13. • Estates and trusts. Enter the amount from Form 1041, Schedule I, line 37. 			17
18	Excess of net regular tax over tentative minimum tax. Subtract line 17 from line 16. If zero or less, do not file this form; you cannot claim this credit ▶			18
19	Qualified electric vehicle credit. Enter the smaller of line 13 or line 18. Also enter on Form 1040, line 49; Form 1120, Schedule J, line 6c; Form 1041, Schedule G, line 2b; or the appropriate line of other income tax returns. See instructions ▶			19

Name(s) shown on return

Identifying number

Part I Current Year Credit

Electricity produced by closed-loop biomass facility placed in service after 1992 or poultry waste facility placed in service after 1999:

1	Kilowatt-hours produced and sold	×	0.017	1
2	Phaseout adjustment (see instructions)	\$	×	2
3	Credit for electricity produced by closed-loop biomass or poultry waste facility. Subtract line 2 from line 1			3

Electricity produced by wind facility placed in service after 1993:

4	Kilowatt-hours produced and sold (see instructions)	×	0.017	4
5	Phaseout adjustment (see instructions)	\$	×	5
6	Credit for electricity produced by wind facility. Subtract line 5 from line 4			6
7	Total credit before reduction. Add lines 3 and 6			7

Reduction for government grants, subsidized financing, and other credits:

8	Total of government grants, proceeds of tax-exempt government obligations, subsidized energy financing, and any other credits allowed for the project for this and all prior tax years			8
9	Total of additions to the capital account for the project for this and all prior tax years			9
10	Divide line 8 by line 9. Show as a decimal carried to at least 4 places			10
11	Multiply line 7 by line 10			11
12	Current year credit. Subtract line 11 from line 7			12

13	Renewable electricity production credit(s) from flow-through entities:	If you are a—	Then enter the credit(s) from—	
		a Shareholder	Schedule K-1 (Form 1120S), lines 12d, 12e, or 13.	} 13
		b Partner	Schedule K-1 (Form 1065), lines 12c, 12d, or 13	
		c Beneficiary	Schedule K-1 (Form 1041), line 14	

14	Total current year credit. Add lines 12 and 13			14
----	---	--	--	----

Part II Tax Liability Limit (See Who Must File Form 3800 to find out if you complete Part II or file Form 3800.)

15	Regular tax before credits:			
	• Individuals. Enter the amount from Form 1040, line 40	}		15
	• Corporations. Enter the amount from Form 1120, Schedule J, line 3; Form 1120-A, Part I, line 1; or the applicable line of your return			
	• Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b, or the applicable lines of your return			
16	Alternative minimum tax (see instructions)			16

17	Add lines 15 and 16			17
----	-------------------------------	--	--	----

18a	Foreign tax credit	18a		
b	Credit for child and dependent care expenses (Form 2441, line 9)	18b		
c	Credit for the elderly or the disabled (Schedule R (Form 1040), line 20)	18c		
d	Education credits (Form 8863, line 18)	18d		
e	Child tax credit (Form 1040, line 47)	18e		
f	Mortgage interest credit (Form 8396, line 11)	18f		
g	Adoption credit (Form 8839, line 14)	18g		
h	District of Columbia first-time homebuyer credit (Form 8859, line 11)	18h		
i	Possessions tax credit (Form 5735, line 17 or 27).	18i		
j	Credit for fuel from a nonconventional source	18j		
k	Qualified electric vehicle credit (Form 8834, line 19)	18k		

l	Add lines 18a through 18k			18l
---	-------------------------------------	--	--	-----

19	Net income tax. Subtract line 18l from line 17			19
----	--	--	--	----

20	Tentative minimum tax (see instructions)	20		
----	--	----	--	--

21	Net regular tax. Subtract line 18l from line 15. If zero or less, enter -0-	21		
----	---	----	--	--

22	Enter 25% (.25) of the excess, if any, of line 21 over \$25,000 (see instructions)	22		
----	--	----	--	--

23	Enter the greater of line 20 or line 22			23
----	---	--	--	----

24	Subtract line 23 from line 19. If zero or less, enter -0-			24
----	---	--	--	----

25	Renewable electricity credit allowed for the current year. Enter the smaller of line 14 or line 24 here and on Form 1040, line 49; Form 1120, Schedule J, line 6d; Form 1120-A, Part I, line 4a; Form 1041, Schedule G, line 2c; or the applicable line of your return			25
----	--	--	--	----

Department of the Treasury Internal Revenue Service

Attach to your return.

Name(s) shown on return

Identifying number

Part I Tentative Empowerment Zone Employment (EZE) Credit

Table with 10 rows for Part I. Line 1: Enter the total qualified zone wages paid or incurred during calendar year 2000. Line 2: Current year credit. Line 3: EZE credits from flow-through entities. Line 4: Total current year EZE credit. Line 5: EZE credit included on line 4 from passive activities. Line 6: Subtract line 5 from line 4. Line 7: EZE passive activity credit allowed for 2000. Line 8: Carryforward of EZE credit to 2000. Line 9: Carryback of EZE credit from 2001. Line 10: Tentative EZE credit.

Part II EZE Credit Limit Based on Amount of Tax

Table with 24 rows for Part II. Line 11: Regular tax before credits. Line 12: Alternative minimum tax. Line 13: Add lines 11 and 12. Lines 14a-14k: Foreign tax credit. Line 14l: Add lines 14a through 14k. Line 15: Net income tax. Line 16: Tentative minimum tax. Line 17: Multiply line 16 by 75%. Line 18: Net regular tax. Line 19: Enter 25% of the excess. Line 20: Enter the greater of line 17 or line 19. Line 21: Subtract line 20 from line 15. Line 22: General business credit. Line 23: Subtract line 22 from line 21. Line 24: EZE credit allowed for the current year.

Name(s) as shown on return

Identifying number

Part I Current Year Credit

Table with 6 rows for Current Year Credit. Line 1: Total of qualified wages... Line 2: Calendar year 1993 qualified wages... Line 3: Incremental increase... Line 4: Current year credit... Line 5: Indian employment credits from... Line 6: Total current year credit.

Part II Tax Liability Limit (See Who Must File Form 3800 to find out if you complete Part II or file Form 3800.)

Table with 17 rows for Tax Liability Limit. Line 7: Regular tax before credits. Line 8: Alternative minimum tax. Line 9: Add lines 7 and 8. Line 10a-10k: Foreign tax credit. Line 10l: Add lines 10a through 10k. Line 11: Net income tax. Line 12: Tentative minimum tax. Line 13: Net regular tax. Line 14: Enter 25% of the excess... Line 15: Enter the greater of line 12 or line 14. Line 16: Subtract line 15 from line 11. Line 17: Indian employment credit allowed for the current year.

Credit for Employer Social Security and Medicare Taxes Paid on Certain Employee Tips

Department of the Treasury
Internal Revenue Service

▶ **Attach to your return.**

Name(s) shown on return

Identifying number

Note: Claim this credit *ONLY* for social security and Medicare taxes paid by a food or beverage establishment where tipping is customary for providing food or beverages. See the instructions for line 1.

Part I Current Year Credit

1	Tips received by employees for services on which you paid or incurred employer social security and Medicare taxes during the tax year (see instructions)	1							
2	Tips not subject to the credit provisions (see instructions)	2							
3	Creditable tips. Subtract line 2 from line 1	3							
4	Current year credit (see instructions). Multiply line 3 by 7.65% (.0765). If you have any tipped employee(s) whose wages (including tips) exceeded \$76,200, check here <input type="checkbox"/>	4							
5	Form 8846 credits from flow-through entities	5							
	<table border="1"> <tr> <td>If you are a—</td> <td>Then enter Form 8846 credit(s) from—</td> </tr> <tr> <td>a Shareholder</td> <td>Schedule K-1 (Form 1120S) lines 12d, 12e, or 13</td> </tr> <tr> <td>b Partner</td> <td>Schedule K-1 (Form 1065) lines 12c, 12d, or 13</td> </tr> </table>	If you are a—	Then enter Form 8846 credit(s) from—	a Shareholder	Schedule K-1 (Form 1120S) lines 12d, 12e, or 13	b Partner	Schedule K-1 (Form 1065) lines 12c, 12d, or 13	5	
If you are a—	Then enter Form 8846 credit(s) from—								
a Shareholder	Schedule K-1 (Form 1120S) lines 12d, 12e, or 13								
b Partner	Schedule K-1 (Form 1065) lines 12c, 12d, or 13								
6	Total current year credit. Add lines 4 and 5	6							

Part II Tax Liability Limit (See Who Must File Form 3800 to find out if you complete Part II or file Form 3800.)

7	Regular tax before credits:		
	<ul style="list-style-type: none"> Individuals. Enter the amount from Form 1040, line 40 Corporations. Enter the amount from Form 1120, Schedule J, line 3; Form 1120-A, Part I, line 1; or the applicable line of your return Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b, or the applicable line of your return 	7	
8	Alternative minimum tax:		
	<ul style="list-style-type: none"> Individuals. Enter the amount from Form 6251, line 28 Corporations. Enter the amount from Form 4626, line 15 Estates and trusts. Enter the amount from Form 1041, Schedule I, line 39 	8	
9	Add lines 7 and 8	9	
10a	Foreign tax credit	10a	
b	Credit for child and dependent care expenses (Form 2441, line 9)	10b	
c	Credit for the elderly or the disabled (Schedule R (Form 1040), line 20)	10c	
d	Education credits (Form 8863, line 18)	10d	
e	Child tax credit (Form 1040, line 47)	10e	
f	Mortgage interest credit (Form 8396, line 11)	10f	
g	Adoption credit (Form 8839, line 14)	10g	
h	District of Columbia first-time homebuyer credit (Form 8859, line 11)	10h	
i	Possessions tax credit (Form 5735, line 17 or 27)	10i	
j	Credit for fuel from a nonconventional source	10j	
k	Qualified electric vehicle credit (Form 8834, line 19)	10k	
l	Add lines 10a through 10k	10l	
11	Net income tax. Subtract line 10l from line 9	11	
12	Tentative minimum tax (see instructions):		
	<ul style="list-style-type: none"> Individuals. Enter the amount from Form 6251, line 26 Corporations. Enter the amount from Form 4626, line 13 Estates and trusts. Enter the amount from Form 1041, Schedule I, line 37 	12	
13	Net regular tax. Subtract line 10l from line 7. If zero or less, enter -0-	13	
14	Enter 25% (.25) of the excess, if any, of line 13 over \$25,000 (see instructions)	14	
15	Enter the greater of line 12 or line 14	15	
16	Subtract line 15 from line 11. If zero or less, enter -0-	16	
17	Credit allowed for the current year. Enter the smaller of line 6 or line 16 here and on Form 1040, line 49; Form 1120, Schedule J, line 6d; Form 1120-A, Part I, line 4a; Form 1041, Schedule G, line 2c; or the applicable line of your return	17	

Credit for Contributions to Selected Community Development Corporations

Department of the Treasury
Internal Revenue Service

▶ Attach to your return.

Name(s) shown on return

Identifying number

Part I Current Year Credit

1	Total qualified community development corporation (CDC) contributions from Part I of Schedule(s) A (Form 8847).	1								
2	Current year CDC credit. Multiply line 1 by 5% (.05)	2								
3	CDC credits from flow-through entities:	3								
	<table border="1"> <tr> <td>If you are a—</td> <td>Then enter total of current year CDC credit(s) from—</td> </tr> <tr> <td>a Shareholder</td> <td>Schedule K-1 (Form 1120S), lines 12d, 12e, or 13</td> </tr> <tr> <td>b Partner</td> <td>Schedule K-1 (Form 1065), lines 12c, 12d, or 13</td> </tr> </table>	If you are a—	Then enter total of current year CDC credit(s) from—	a Shareholder	Schedule K-1 (Form 1120S), lines 12d, 12e, or 13	b Partner	Schedule K-1 (Form 1065), lines 12c, 12d, or 13			
If you are a—	Then enter total of current year CDC credit(s) from—									
a Shareholder	Schedule K-1 (Form 1120S), lines 12d, 12e, or 13									
b Partner	Schedule K-1 (Form 1065), lines 12c, 12d, or 13									
4	Total current year CDC credit. Add lines 2 and 3	4								

Part II Tax Liability Limit (See Who Must File Form 3800 to find out if you complete Part II or file Form 3800.)

5	Regular tax before credits:			
	<ul style="list-style-type: none"> Individuals. Enter the amount from Form 1040, line 40 Corporations. Enter the amount from Form 1120, Schedule J, line 3; Form 1120-A, Part I, line 1; or the applicable line of your return Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b, or the applicable line of your return 	5		
6	Alternative minimum tax:			
	<ul style="list-style-type: none"> Individuals. Enter the amount from Form 6251, line 28 Corporations. Enter the amount from Form 4626, line 15 Estates and trusts. Enter the amount from Form 1041, Schedule I, line 39 	6		
7	Add lines 5 and 6	7		
8a	Foreign tax credit	8a		
b	Credit for child and dependent care expenses (Form 2441, line 9)	8b		
c	Credit for the elderly or the disabled (Schedule R (Form 1040), line 20)	8c		
d	Education credits (Form 8863, line 18)	8d		
e	Child tax credit (Form 1040, line 47)	8e		
f	Mortgage interest credit (Form 8396, line 11)	8f		
g	Adoption credit (Form 8839, line 14)	8g		
h	District of Columbia first-time homebuyer credit (Form 8859, line 11)	8h		
i	Possessions tax credit (Form 5735, line 17 or 27)	8i		
j	Credit for fuel from a nonconventional source	8j		
k	Qualified electric vehicle credit (Form 8834, line 19)	8k		
l	Add lines 8a through 8k	8l		
9	Net income tax. Subtract line 8l from line 7	9		
10	Tentative minimum tax (see instructions):			
	<ul style="list-style-type: none"> Individuals. Enter the amount from Form 6251, line 26 Corporations. Enter the amount from Form 4626, line 13 Estates and trusts. Enter the amount from Form 1041, Schedule I, line 37 	10		
11	Net regular tax. Subtract line 8l from line 5. If zero or less, enter -0-	11		
12	Enter 25% (.25) of the excess, if any, of line 11 over \$25,000 (see instructions)	12		
13	Enter the greater of line 10 or line 12	13		
14	Subtract line 13 from line 9. If zero or less, enter -0-	14		
15	CDC credit allowed for the current year. Enter the smaller of line 4 or line 14 here and on Form 1040, line 49; Form 1120, Schedule J, line 6d; Form 1120-A, Part I, line 4a; Form 1041, Schedule G, line 2c; or the applicable line of your return	15		

General Instructions

Section references are to the Internal Revenue Code unless otherwise noted.

A Change To Note

You are no longer required to attach Schedule(s) A (Form 8847) to your return. See the instructions for line 1.

Purpose of Form

Use Form 8847 to claim the credit for qualified contributions made to selected community development corporations (CDCs).

Name(s) shown on return

Identifying number

Part I Current Year Credit

1 Enter on the applicable line below the qualified first- or second-year wages paid or incurred during the tax year and multiply by the percentage shown for services of employees who are certified as long-term family assistance recipients and who began work for you after 1997. Members of a controlled group, see instructions.				
a	Qualified first-year wages \$ _____ × 35% (.35)	1a		
b	Qualified second-year wages \$ _____ × 50% (.50)	1b		
2	Current year credit. Add lines 1a and 1b. You must subtract this amount from your deduction for salaries and wages	2		
3	Welfare-to-work credits from flow-through entities	3		
	If you are a—			Then enter total of welfare-to-work credit(s) from—
	a Shareholder			Schedule K-1 (Form 1120S), lines 12d, 12e, or 13.
	b Partner			Schedule K-1 (Form 1065), lines 12c, 12d, or 13
c Beneficiary	Schedule K-1 (Form 1041), line 14			
d Patron	Written statement from cooperative			
4	Total current year welfare-to-work credit. Add lines 2 and 3. (S corporations, partnerships, estates, trusts, cooperatives, regulated investment companies, and real estate investment trusts, see instructions.)	4		

Part II Tax Liability Limit (See **Who Must File Form 3800** to find out if you complete Part II or file Form 3800.)

5	Regular tax before credits:		
	• Individuals. Enter the amount from Form 1040, line 40	}	5
	• Corporations. Enter the amount from Form 1120, Schedule J, line 3; Form 1120-A, Part I, line 1; or the applicable line of your return		
	• Estates and trusts. Enter the sum of the amounts from Form 1041, Schedule G, lines 1a and 1b, or the applicable line of your return		
6	Alternative minimum tax:		
	• Individuals. Enter the amount from Form 6251, line 28	}	6
	• Corporations. Enter the amount from Form 4626, line 15		
	• Estates and trusts. Enter the amount from Form 1041, Schedule I, line 39		
7	Add lines 5 and 6	7	
8a	Foreign tax credit	8a	
b	Credit for child and dependent care expenses (Form 2441, line 9)	8b	
c	Credit for the elderly or the disabled (Schedule R (Form 1040), line 20)	8c	
d	Education credits (Form 8863, line 18)	8d	
e	Child tax credit (Form 1040, line 47)	8e	
f	Mortgage interest credit (Form 8396, line 11)	8f	
g	Adoption credit (Form 8839, line 14)	8g	
h	District of Columbia first-time homebuyer credit (Form 8859, line 11)	8h	
i	Possessions tax credit (Form 5735, line 17 or 27)	8i	
j	Credit for fuel from a nonconventional source	8j	
k	Qualified electric vehicle credit (Form 8834, line 19)	8k	
l	Add lines 8a through 8k	8l	
9	Net income tax. Subtract line 8l from line 7	9	
10	Tentative minimum tax (see instructions):		
	• Individuals. Enter the amount from Form 6251, line 26	}	10
	• Corporations. Enter the amount from Form 4626, line 13		
	• Estates and trusts. Enter the amount from Form 1041, Schedule I, line 37		
11	Net regular tax. Subtract line 8l from line 5. If zero or less, enter -0-	11	
12	Enter 25% (.25) of the excess, if any, of line 11 over \$25,000 (see instructions)	12	
13	Enter the greater of line 10 or line 12	13	
14	Subtract line 13 from line 9. If zero or less, enter -0-	14	
15	Welfare-to-work credit allowed for the current year. Enter the smaller of line 4 or line 14 here and on Form 1040, line 49; Form 1120, Schedule J, line 6d; Form 1120-A, Part I, line 4a; Form 1041, Schedule G, line 2c; or the applicable line of your return	15	

Schedule A Constructive Ownership of Partnership Interest. Check the boxes that apply to the filer. If you check box **b**, enter the name, address, and U.S. taxpayer identifying number (if any) of the person(s) whose interest you constructively own. See instructions.

a Owns a direct interest **b** Owns a constructive interest

Name	Address	Identifying number (if any)	Check if foreign person	Check if direct partner

Schedule A-1 Certain Partners of Foreign Partnership (see instructions)

Name	Address	Identifying number (if any)	Check if foreign person

Does the partnership have any other foreign person as a direct partner? **Yes** **No**

Schedule A-2 Affiliation Schedule. List all partnerships (foreign or domestic) in which the foreign partnership owns a direct interest or indirectly owns a 10% interest.

Name	Address	EIN (if any)	Total ordinary income or loss	Check if foreign partnership

Schedule B Income Statement—Trade or Business Income

Caution: Include **only** trade or business income and expenses on lines 1a through 22 below. See the instructions for more information.

Income	1a Gross receipts or sales	1a			
	b Less returns and allowances	1b		1c	
	2 Cost of goods sold			2	
	3 Gross profit. Subtract line 2 from line 1c			3	
	4 Ordinary income (loss) from other partnerships, estates, and trusts (attach schedule)			4	
	5 Net farm profit (loss) (attach Schedule F (Form 1040))			5	
	6 Net gain (loss) from Form 4797, Part II, line 18			6	
	7 Other income (loss) (attach schedule)			7	
8 Total income (loss). Combine lines 3 through 7			8		
Deductions (see page 7 of the instructions for limitations)	9 Salaries and wages (other than to partners) (less employment credits)			9	
	10 Guaranteed payments to partners			10	
	11 Repairs and maintenance			11	
	12 Bad debts			12	
	13 Rent			13	
	14 Taxes and licenses			14	
	15 Interest			15	
	16a Depreciation (if required, attach Form 4562)	16a			
	b Less depreciation reported on Schedule A and elsewhere on return	16b		16c	
	17 Depletion (Do not deduct oil and gas depletion.)			17	
	18 Retirement plans, etc.			18	
	19 Employee benefit programs			19	
	20 Other deductions (attach schedule).			20	
	21 Total deductions. Add the amounts shown in the far right column for lines 9 through 20.			21	
22 Ordinary income (loss) from trade or business activities. Subtract line 21 from line 8			22		

Schedule D Capital Gains and Losses

Part I Short-Term Capital Gains and Losses—Assets Held 1 Year or Less

(a) Description of property (e.g., 100 shares of "Z" Co.)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	
1						
2	Short-term capital gain from installment sales from Form 6252, line 26 or 37				2	
3	Short-term capital gain (loss) from like-kind exchanges from Form 8824				3	
4	Partnership's share of net short-term capital gain (loss), including specially allocated short-term capital gains (losses), from other partnerships, estates, and trusts				4	
5	Net short-term capital gain or (loss). Combine lines 1 through 4 in column (f). Enter here and on Form 8865, Schedule K, line 4d or 7				5	

Part II Long-Term Capital Gains and Losses—Assets Held More Than 1 Year

(a) Description of property (e.g., 100 shares of "Z" Co.)	(b) Date acquired (month, day, year)	(c) Date sold (month, day, year)	(d) Sales price (see instructions)	(e) Cost or other basis (see instructions)	(f) Gain or (loss) ((d) minus (e))	(g) 28% rate gain or (loss) *(see instr. below)
6						
7	Long-term capital gain from installment sales from Form 6252, line 26 or 37				7	
8	Long-term capital gain (loss) from like-kind exchanges from Form 8824.				8	
9	Partnership's share of net long-term capital gain (loss), including specially allocated long-term capital gains (losses), from other partnerships, estates, and trusts				9	
10	Capital gain distributions				10	
11	Combine lines 6 through 10 in column (g). Enter here and on Schedule K, line 4e(1) or 7				11	
12	Net long-term capital gain or (loss). Combine lines 6 through 10 in column (f). Enter here and on Form 8865, Schedule K, line 4e(2) or 7				12	

*28% rate gain or (loss) includes all "collectibles gains and losses" as defined in the instructions.

Schedule K Partners' Shares of Income, Credits, Deductions, etc.

		(a) Distributive share items	(b) Total amount	
Income (Loss)	1	Ordinary income (loss) from trade or business activities (enter from Schedule B, line 22)	1	
	2	Net income (loss) from rental real estate activities (attach Form 8825)	2	
	3a	Gross income from other rental activities	3a	
	b	Expenses from other rental activities (attach schedule)	3b	
	c	Net income (loss) from other rental activities. Subtract line 3b from line 3a	3c	
	4	Portfolio income (loss):		
	a	Interest income	4a	
	b	Ordinary dividends	4b	
	c	Royalty income	4c	
	d	Net short-term capital gain (loss)	4d	
	e	Net long-term capital gain (loss)	4e	
	(1)	28% rate gain (loss)	4e(1)	
	(2)	Total for year	4e(2)	
f	Other portfolio income (loss) (attach schedule)	4f		
5	Guaranteed payments to partners	5		
6	Net section 1231 gain (loss) (other than due to casualty or theft) (attach Form 4797)	6		
7	Other income (loss) (attach schedule)	7		
Deductions	8	Charitable contributions (attach schedule)	8	
	9	Section 179 expense deduction	9	
	10	Deductions related to portfolio income (itemize)	10	
	11	Other deductions (attach schedule)	11	
Credits	12a	Low-income housing credit:		
	(1)	From partnerships to which section 42(j)(5) applies for property placed in service before 1990	12a(1)	
	(2)	Other than on line 12a(1) for property placed in service before 1990	12a(2)	
	(3)	From partnerships to which section 42(j)(5) applies for property placed in service after 1989	12a(3)	
	(4)	Other than on line 12a(3) for property placed in service after 1989	12a(4)	
	b	Qualified rehabilitation expenditures related to rental real estate activities (attach Form 3468)	12b	
	c	Credits (other than credits shown on lines 12a and 12b) related to rental real estate activities	12c	
	d	Credits related to other rental activities	12d	
13	Other credits	13		
Investment Interest	14a	Interest expense on investment debts	14a	
	b	(1) Investment income included on lines 4a, 4b, 4c, and 4f above (2) Investment expenses included on line 10 above	14b(1) 14b(2)	
Self-Employment	15a	Net earnings (loss) from self-employment	15a	
	b	Gross farming or fishing income	15b	
	c	Gross nonfarm income	15c	
Adjustments and Tax Preference Items	16a	Depreciation adjustment on property placed in service after 1986	16a	
	b	Adjusted gain or loss	16b	
	c	Depletion (other than oil and gas)	16c	
	d	(1) Gross income from oil, gas, and geothermal properties (2) Deductions allocable to oil, gas, and geothermal properties	16d(1) 16d(2)	
	e	Other adjustments and tax preference items (attach schedule)	16e	

Schedule K (continued)

		(a) Distributive share items	(b) Total amount	
Foreign Taxes	17a Name of foreign country or U.S. possession ▶			
	b Gross income sourced at partner level		17b	
	c Foreign gross income sourced at partnership level:			
	(1) Passive		17c(1)	
	(2) Listed categories (<i>attach schedule</i>)		17c(2)	
	(3) General limitation		17c(3)	
	d Deductions allocated and apportioned at partner level:			
	(1) Interest expense		17d(1)	
	(2) Other		17d(2)	
	e Deductions allocated and apportioned at partnership level to foreign source income:			
(1) Passive		17e(1)		
(2) Listed categories (<i>attach schedule</i>)		17e(2)		
(3) General limitation		17e(3)		
f Total foreign taxes (check one): ▶ Paid <input type="checkbox"/> Accrued <input type="checkbox"/>		17f		
g Reduction in taxes available for credit and gross income from all sources (<i>attach schedule</i>)		17g		
Other	18 Section 59(e)(2) expenditures: a Type ▶ b Amount ▶		18b	
	19 Tax-exempt interest income		19	
	20 Other tax-exempt income		20	
	21 Nondeductible expenses		21	
	22 Distributions of money (cash and marketable securities)		22	
	23 Distributions of property other than money		23	
	24 Other items and amounts required to be reported separately to partners (<i>attach schedule</i>)			

Schedule L Balance Sheets per Books (Not required if Question G9, page 1, is answered "Yes.")

	Beginning of tax year		End of tax year	
	(a)	(b)	(c)	(d)
Assets				
1 Cash				
2a Trade notes and accounts receivable				
b Less allowance for bad debts				
3 Inventories				
4 U.S. government obligations				
5 Tax-exempt securities				
6 Other current assets (<i>attach schedule</i>)				
7 Mortgage and real estate loans				
8 Other investments (<i>attach schedule</i>)				
9a Buildings and other depreciable assets				
b Less accumulated depreciation				
10a Depletable assets				
b Less accumulated depletion				
11 Land (net of any amortization)				
12a Intangible assets (amortizable only)				
b Less accumulated amortization				
13 Other assets (<i>attach schedule</i>)				
14 Total assets				
Liabilities and Capital				
15 Accounts payable				
16 Mortgages, notes, bonds payable in less than 1 year				
17 Other current liabilities (<i>attach schedule</i>)				
18 All nonrecourse loans				
19 Mortgages, notes, bonds payable in 1 year or more				
20 Other liabilities (<i>attach schedule</i>)				
21 Partners' capital accounts				
22 Total liabilities and capital				

Schedule M Balance Sheets for Interest Allocation

	(a) Beginning of tax year	(b) End of tax year
1 Total U.S. assets		
2 Total foreign assets:		
a Listed categories (<i>attach schedule</i>)		
b Passive income category		
c General limitation income category		

Schedule M-1 Reconciliation of Income (Loss) per Books With Income (Loss) per Return (Not required if Question G9, page 1, is answered "Yes.")

1 Net income (loss) per books			6 Income recorded on books this year not included on Schedule K, lines 1 through 7 (itemize):		
2 Income included on Schedule K, lines 1 through 4, 6, and 7, not recorded on books this year (itemize):			a Tax-exempt interest \$		
3 Guaranteed payments (other than health insurance)			7 Deductions included on Schedule K, lines 1 through 11, 14a, 17f, and 18b, not charged against book income this year (itemize):		
4 Expenses recorded on books this year not included on Schedule K, lines 1 through 11, 14a, 17f, and 18b (itemize):			a Depreciation \$		
a Depreciation \$			8 Add lines 6 and 7		
b Travel and entertainment \$			9 Income (loss). Subtract line 8 from line 5		
5 Add lines 1 through 4					

Schedule M-2 Analysis of Partners' Capital Accounts (Not required if Question G9, page 1, is answered "Yes.")

1 Balance at beginning of year			6 Distributions: a Cash		
2 Capital contributed during year			b Property		
3 Net income (loss) per books			7 Other decreases (itemize):		
4 Other increases (itemize):			8 Add lines 6 and 7		
5 Add lines 1 through 4			9 Balance at end of year. Subtract line 8 from line 5		

Schedule N Transactions Between Controlled Foreign Partnership and Partners or Other Related Entities

Important: Complete a separate Form 8865 and Schedule N for each controlled foreign partnership. Enter the totals for each type of transaction that occurred between the foreign partnership and the persons listed in columns (a) through (d).

Transactions of foreign partnership	(a) U.S. person filing this return	(b) Any domestic corporation or partnership controlling or controlled by the U.S. person filing this return	(c) Any other foreign corporation or partnership controlling or controlled by the U.S. person filing this return	(d) Any U.S. person with a 10% or more direct interest in the controlled foreign partnership (other than the U.S. person filing this return)
1 Sales of inventory				
2 Sales of property rights (patents, trademarks, etc.)				
3 Compensation received for technical, managerial, engineering, construction, or like services				
4 Commissions received . . .				
5 Rents, royalties, and license fees received				
6 Distributions received . . .				
7 Interest received				
8 Other				
9 Add lines 1 through 8 . . .				
10 Purchases of inventory . .				
11 Purchases of tangible property other than inventory				
12 Purchases of property rights (patents, trademarks, etc.)				
13 Compensation paid for technical, managerial, engineering, construction, or like services				
14 Commissions paid				
15 Rents, royalties, and license fees paid				
16 Distributions paid				
17 Interest paid				
18 Other				
19 Add lines 10 through 18 . .				
20 Amounts borrowed (enter the maximum loan balance during the year) — see instructions				
21 Amounts loaned (enter the maximum loan balance during the year) — see instructions				

Draft as of 9/20/2000



Department of the Treasury
Internal Revenue Service

For calendar year 2000, or fiscal year beginning, 2000, and ending, 20

2000

▶ See instructions on back.

Name of partnership	Employer identification number
---------------------	--------------------------------

Part I Partnership Return Information

1 Gross receipts or sales less returns and allowances (Form 1065, line 1c)	1	
2 Gross profit (Form 1065, line 3)	2	
3 Ordinary income (loss) from trade or business activities (Form 1065, line 22)	3	
4 Net income (loss) from rental real estate activities (Form 1065, Schedule K, line 2)	4	
5 Net income (loss) from other rental activities (Form 1065, Schedule K, line 3c)	5	

Part II Declaration of General Partner or Limited Liability Company Member

Please Sign Here	<p>Under penalties of perjury, I declare that the above amounts (or the amounts on the attached listing) agree with the amounts shown on the corresponding lines of the electronic portion of the 2000 U.S. Return(s) of Partnership Income. I have also examined a copy of the return(s) being filed electronically with the Internal Revenue Service, and all accompanying schedules and statements. To the best of my knowledge and belief, they are true, correct, and complete. If I am not the transmitter, I consent that the return(s), including this declaration and accompanying schedules and statements, be sent to the Internal Revenue Service by the return transmitter. I also consent to the IRS' sending the ERO and/or transmitter an acknowledgment of receipt of transmission and an indication of whether or not the return is accepted, and, if rejected, the reason(s) for the rejection.</p>		
	<table style="width:100%; border: none;"> <tr> <td style="border: none; width:60%; text-align: center;">▶ _____ Signature of general partner or limited liability company member</td> <td style="border: none; width:40%; text-align: center;">▶ _____ Date</td> </tr> </table>	▶ _____ Signature of general partner or limited liability company member	▶ _____ Date
▶ _____ Signature of general partner or limited liability company member	▶ _____ Date		

Part III Declaration of Electronic Return Originator (ERO) and Paid Preparer See instructions.

ERO's Use Only	<p>I declare that I have reviewed the above partnership return(s) and that the entries on Form 8453-P are complete and correct to the best of my knowledge. If I am only a collector, I am not responsible for reviewing the return(s), and only declare that this form accurately reflects the data on the return(s). A general partner or limited liability company member will have signed this form before I submit the return(s). I will give the general partner or limited liability company member a copy of all forms and information to be filed with the IRS, and have followed all other requirements described in Pub. 1524, Procedures and Specifications for the 1065 e-file Program, U.S. Return of Partnership Income for Tax Year 2000. If I am also the Paid Preparer, under penalties of perjury I declare that I have examined the above partnership return(s) and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer is based on all information of which the preparer has any knowledge.</p>										
	<table style="width:100%; border: none;"> <tr> <td style="border: none; width:45%;">ERO's signature ▶ _____</td> <td style="border: none; width:10%;">Date _____</td> <td style="border: none; width:10%;">Check if also paid preparer ▶ <input type="checkbox"/></td> <td style="border: none; width:10%;">Check if self-employed ▶ <input type="checkbox"/></td> <td style="border: none; width:15%;">ERO's SSN or PTIN _____</td> </tr> <tr> <td style="border: none;">Firm's name (or yours if self-employed), address, and ZIP code ▶ _____</td> <td colspan="2" style="border: none;">EIN ▶ _____</td> <td colspan="2" style="border: none;">Phone no. () _____</td> </tr> </table>	ERO's signature ▶ _____	Date _____	Check if also paid preparer ▶ <input type="checkbox"/>	Check if self-employed ▶ <input type="checkbox"/>	ERO's SSN or PTIN _____	Firm's name (or yours if self-employed), address, and ZIP code ▶ _____	EIN ▶ _____		Phone no. () _____	
ERO's signature ▶ _____	Date _____	Check if also paid preparer ▶ <input type="checkbox"/>	Check if self-employed ▶ <input type="checkbox"/>	ERO's SSN or PTIN _____							
Firm's name (or yours if self-employed), address, and ZIP code ▶ _____	EIN ▶ _____		Phone no. () _____								
Paid Preparer's Use Only	<p>Under penalties of perjury, I declare that I have examined the above partnership return(s) and accompanying schedules and statements, and to the best of my knowledge and belief, they are true, correct, and complete. Declaration of preparer is based on all information of which the preparer has any knowledge.</p>										
	<table style="width:100%; border: none;"> <tr> <td style="border: none; width:45%;">Preparer's signature ▶ _____</td> <td style="border: none; width:10%;">Date _____</td> <td style="border: none; width:10%;">Check if self-employed ▶ <input type="checkbox"/></td> <td colspan="2" style="border: none; width:25%;">Preparer's SSN or PTIN _____</td> </tr> <tr> <td style="border: none;">Firm's name (or yours if self-employed), address, and ZIP code ▶ _____</td> <td colspan="2" style="border: none;">EIN ▶ _____</td> <td colspan="2" style="border: none;">Phone no. () _____</td> </tr> </table>	Preparer's signature ▶ _____	Date _____	Check if self-employed ▶ <input type="checkbox"/>	Preparer's SSN or PTIN _____		Firm's name (or yours if self-employed), address, and ZIP code ▶ _____	EIN ▶ _____		Phone no. () _____	
Preparer's signature ▶ _____	Date _____	Check if self-employed ▶ <input type="checkbox"/>	Preparer's SSN or PTIN _____								
Firm's name (or yours if self-employed), address, and ZIP code ▶ _____	EIN ▶ _____		Phone no. () _____								

Purpose of Form

Use Form 8453-P to:

- Authenticate the electronic **Form 1065**, U.S. Return of Partnership Income;
- Serve as a transmittal for any accompanying paper schedules and statements; and
- Authorize the electronic filer to transmit via a third-party transmitter.

Caution: *A tax return is not considered filed unless it is signed. Form 8453-P is the signature document that completes the filing of the Form(s) 1065 filed electronically.*

Who Must File

Every partnership filing a 2000 Form 1065 electronically must file a signed Form 8453-P.

Signature For Multiple-Return Filing

A single signature may be used for a multiple-return filing if the person signing for the partnerships is authorized to sign each return. The signer must attach a multiple-return information listing according to the instructions in **Pub. 1524**, Procedures and Specifications for the 1065 e-file Program, U.S. Return of Partnership Income for Tax Year 2000. **Do not** enter totals from multiple returns on lines 1 through 5.

Where To File

Internal Revenue Service Center
P.O. Box 30309 AMF
Stop 2711
Memphis, TN 38130

When To File

A partnership must file its return of income by the 15th day of the 4th month following the close of the partnership's tax year. This filing date also applies to returns filed electronically. For returns filed electronically, the transmitter must send the signed Form 8453-P within 1 business day after the electronic transmission has been accepted.

Declaration of Electronic Return Originator (ERO) and Paid Preparer

The ERO is one who deals directly with the partnership and either prepares tax returns or collects prepared tax returns, including Forms 8453-P, for partnerships that wish to have their returns electronically filed. The ERO's signature is required by the IRS.

A paid preparer who is not also the ERO must sign Form 8453-P in the space for **Paid Preparer's Use Only**. A paid preparer who is also the ERO should instead check the box in the **ERO's Use Only** section labeled "Check if also paid preparer."

Paperwork Reduction Act Notice. We ask for the information on this form to carry out the Internal Revenue laws of the United States. You are required to give us the information. We need it to ensure that you are complying with these laws and to allow us to figure and collect the right amount of tax.

You are not required to provide the information requested on a form that is subject to the Paperwork Reduction Act unless the form displays a valid OMB control number. Books or records relating to a form or its instructions must be retained as long as their contents may become material in the administration of any Internal Revenue law. Generally, tax returns and return information are confidential, as required by Internal Revenue Code section 6103.

The time needed to complete and file this form will vary depending on individual circumstances. The estimated average time is:

- Recordkeeping** 7 min.
- Learning about the law or the form** 5 min.
- Preparing the form** 20 min.
- Copying, assembling, and sending the form to the IRS** 17 min.

If you have comments concerning the accuracy of these time estimates or suggestions for making this form simpler, we would be happy to hear from you. You can write to the Tax Forms Committee, Western Area Distribution Center, Rancho Cordova, CA 95743-0001. **Do not** send Form 8453-P to this address. Instead, see **Where To File** on this page.

